

RESOLUTION NO. 2022-32244

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING, FOLLOWING SECOND READING/PUBLIC HEARING, A DEVELOPMENT AGREEMENT, AS AUTHORIZED UNDER SECTION 118-4 OF THE CITY CODE, AND SECTIONS 163.3220 – 163.3243, FLORIDA STATUTES, BETWEEN THE CITY AND 1664 MERIDIAN, LLC (THE “DEVELOPER”), WHICH DEVELOPMENT AGREEMENT WAS (A) REVIEWED BY THE PLANNING BOARD AS REQUIRED BY SECTION 142-423; (B) DELINEATES THE TERMS AND CONDITIONS FOR THE DEVELOPMENT ON CITY-OWNED SURFACE PARKING LOT P27 (CONSISTING OF SEVEN (7) TAX FOLIOS: 02-3234-007-0560, 02-3234-007-0570, 02-3234-007-0630, 02-3234-007-0640, 02-3234-007-0650, 02-3234-007-0660 AND 02-3234-007-0670) LOCATED IN MIAMI BEACH, FLORIDA (“P27” OR THE “PROPERTY”) CONSISTING OF (1) CLASS A OFFICE SPACE, (2) GROUND FLOOR RETAIL, (3) RESIDENTIAL RENTAL APARTMENTS, (4) PUBLIC PARKING TO REPLACE THE EXISTING PUBLIC PARKING SPACES ON P27, AND (5) ADDITIONAL PARKING TO SATISFY OFF-STREET PARKING REQUIREMENTS FOR THE OFFICE AND RESIDENTIAL USES (THE “PROJECT”); AND (C) MEMORIALIZES CERTAIN CONDITIONS PRECEDENT FOR THE CITY’S LEASE OF THE PROPERTY TO THE DEVELOPER FOR THE DEVELOPMENT, DESIGN, FINANCING, CONSTRUCTION, AND OPERATION OF THE PROJECT (THE “LEASE”); SUCH LEASE BEING SUBJECT TO AND CONTINGENT UPON APPROVAL BY THE CITY COMMISSION PURSUANT TO SECTION 82-37(A) AND APPROVAL BY A MAJORITY OF THE VOTERS IN A CITY-WIDE REFERENDUM PURSUANT TO SECTION 1.03(B)(2) OF THE CITY CHARTER; AND FURTHER, AUTHORIZING THE CITY MANAGER TO FINALIZE THE DEVELOPMENT AGREEMENT AND MAKE ANY NECESSARY NON-SUBSTANTIVE CORRECTIONS TO SCRIVENER’S ERRORS, SUBJECT TO FORM APPROVAL BY THE CITY ATTORNEY; AND FURTHER, AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE THE DEVELOPMENT AGREEMENT.

WHEREAS, the City Commission has expressed an interest in diversifying the City’s economy and its revenue sources by capitalizing on the economic growth opportunities presented by the current and projected business growth in the region, particularly by making a concerted effort to attract the financial services and technology industries; and

WHEREAS, in furtherance of this objective, the City Commission has discussed the need to increase Class A office space inventory throughout the City; and

WHEREAS, at its December 11, 2019 meeting, the City Commission discussed the possibility of making available certain surface parking lots north of Lincoln Road to promote the development of Class A office space in the city center area; and

WHEREAS, on October 9, 2020, the City issued Request for Letters of Interest 2021-029-KB, seeking expression of interest from developers interested in building Class A office developments on the surface parking lots P25, P26, and P27 immediately north of Lincoln Road (the “RFLI”) and the RFLI yielded significant interest, including expression of interest from eighteen (18) respondents; and

WHEREAS, on March 17, 2021, the City Commission adopted Resolution No. 2021-31617, authorizing the preparation of a Request for Proposals (the "RFP") for mixed-use development incorporating Class A office space at three City-owned sites along Lincoln Lane North and the 17th Street parking garage (G5); and

WHEREAS, the City received proposals from the following three firms: (1) Infinity Collective LLC; (2) Lincoln Road Property Owner, L.P., a joint venture among Integra Investments, Starwood Capital, and The Comras Company (for clarity, Lincoln Road Property Owner, L.P. is referred to as "Integra"); and (3) Lincoln Road Holdings LLC, a joint venture among The Peebles Corporation, Baron Corporation, and Scott Robins Companies, Inc., such joint venture partners now having formed 1664 Meridian LLC, an affiliated special purpose entity (for clarity, 1664 Meridian LLC is referred to as "TPC" or "Developer"); and

WHEREAS, after reviewing the various proposals submitted, the process and rankings of an Evaluation Committee appointed by the City Manager, and the assessments of staff and the City's consultant, the City Manager determined that the best RFP options for the City to pursue were Option 3 (Parking Lot P27) with TPC and Option 5 (Parking Lots P25 and P26 combined) with Integra, and the City Manager recommended that the Mayor and City Commission authorize the commencement of negotiations with these bidders; and

WHEREAS, on February 23, 2022, the City Commission adopted Resolution 2022-32054, authorizing the Administration:

- (a) to enter into negotiations for a ground lease and development agreement with TPC with respect to Parking Lot P27 (RFP Option 3)(the "Project"); and
- (b) to enter into negotiations for a ground lease and development agreement with Integra with respect to Parking Lots P25 and P26 (RFP Option 5)(the "Integra project"); and
- (c) refer both proposed projects and three accompanying amendments to the City's Land Development Regulations and/or Comprehensive Plan for review by the Finance and Economic Resiliency Committee, the Land Use and Sustainability Committee, and the Planning Board, in accordance with the requirements of the City Code; and
- (d) direct the Administration to maintain the RFP as open and subject to the Cone of Silence with respect to Option 4 (Garage G5) for a period of one (1) year from the date of adoption, February 23, 2022; and

WHEREAS, TPC and the Administration negotiated a term sheet dated April 26, 2022 (the "Term Sheet"), which provided, assuming the adoption of certain land use amendments related to the Project, the development on P27 of a six-story building with three levels of Class A office space, two levels of market rate residential rental units, ground floor retail, required parking for the private uses, and a public parking component; and

WHEREAS, as proposed in the Term Sheet, the City and TPC will enter into a long-term ground lease for P27 (the "Ground Lease"), and a development agreement (the "Development Agreement"), with TPC responsible for financing the design and construction of the Project, with the proposed rent structure and other key terms more fully described in the Term Sheet; and

WHEREAS, pursuant to Section 1.03(b)(2) of the City Charter governing leases of ten years or longer of the City-owned property referred to therein as the Lincoln Road Parking Lots, the Ground Lease requires approval by a majority vote of the voters in a City-wide referendum; and

WHEREAS, on March 30, 2022, the Finance and Economic Resiliency Committee received an update on the negotiations from the Administration; and

WHEREAS, on April 8, 2022, the Land Use and Sustainability Committee considered the three legislative amendments requested in support of the two projects, and transmitted the proposed ordinances to the City Commission for consideration; and

WHEREAS, on April 29, 2022, the Finance and Economic Resiliency Committee reviewed the Project's proposed terms and recommended that the City Commission direct the Administration to prepare the Development Agreement and Ground Lease with TPC for the City Commission's consideration and approval; and

WHEREAS, on May 4, 2022, the City Commission adopted Resolution No. 2022-32163, accepting the recommendation of the Finance and Economic Resiliency Committee, approving the Term Sheet, and directing the Administration to prepare the Development Agreement and Ground Lease with TPC, to include terms consistent with the Term Sheet and such other terms and conditions as are customary or otherwise necessary or desirable (as determined by the Administration), subject to the prior approval of the City Commission, and further, referring the proposed Project and the associated Development Agreement to the Planning Board for review, in accordance with the requirements of the City Charter and City Code; and

WHEREAS, on May 24, 2022, the Planning Board reviewed the proposed uses for both projects and recommended approval, with a unanimous companion motion recommending that: (1) the City Commission consider devoting a portion of revenues generated from any RFP project incorporating solely market rate residential uses be devoted to funding workforce housing initiatives; (2) the Ground Leases include a prohibition of big-box retail establishments in the Project; and (3) the Ground Leases include provisions that underutilized parking spaces required for the projects' private components (e.g. office uses) be made available for use by the public during nonpeak hours; and

WHEREAS, the Development Agreement is attached as an exhibit to the Commission Memorandum accompanying this Resolution and includes terms consistent with the Term Sheet; and

WHEREAS, the Administration is supportive of the Project, in recognition of its several intended outcomes pursuant to the goals of the RFP, including encouraging the development of Class A office space and growing the economic base, enhancing the City's parking facilities, creating local jobs, transforming Lincoln Lane North into a vibrant and pedestrian-friendly street that connects the Convention Center District with Lincoln Road, and generating substantial lease payments and other revenues for the City; and

WHEREAS, on June 22, 2022, the City Commission approved at public hearing/second reading the three related Lincoln Lane North GU land use amendments in support of the projects: (i) Ordinance 2022-4497 amending the Comprehensive Plan to permit market rate residential use, (ii) Ordinance 2022-4498 amending applicable parking regulations, and (iii) Ordinance 2022-4499 amending applicable height regulations; and

WHEREAS, on June 22, 2022, the Mayor and City Commission, after a duly noticed public hearing/first reading held pursuant to the Development Agreement Act set forth in Chapter 163 of the Florida Statutes, and Sections 82-36 through 82-40 of the City Code, determined that it is in

the best interest of the City to enter into a Development Agreement with the Developer for the development of the Project, and set a second reading/public hearing for July 20, 2022; and

WHEREAS, on July 20, 2022, pursuant to Section 142-425(b) of the City Code, the Mayor and City Commission determined that the zoning district classification of the P27 property under the Ground Lease is subject to the development regulations of the CD-3, Commercial High Intensity zoning district, as defined in the Land Development Regulations; and

WHEREAS, on July 20, 2022, being a duly noticed public hearing/second reading held pursuant to the Development Agreement Act set forth in Chapter 163 of the Florida Statutes, and Sections 82-36 through 82-40 of the City Code, the Mayor and City Commission approved the Development Agreement, including the Project Concept Plan and Mandatory Project Elements, as both are defined therein, and determined that it is in the best interest of the City to enter into the Development Agreement with TPC, including placing on the ballot at the November 8, 2022 General Election questions related to the Ground Lease.

NOW, THEREFORE, BE IT DULY RESOLVED BY THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, that the Mayor and City Commission hereby approve, following second reading/public hearing, a Development Agreement, as authorized under section 118-4 of the City Code, and sections 163.3220 – 163.3243, Florida Statutes, between the City and 1664 Meridian, LLC (the “Developer”), which Development Agreement was (a) reviewed by the Planning Board as required by section 142-423; (b) delineates the terms and conditions for the development on City-owned surface parking lot P27 (consisting of seven (7) tax folios: 02-3234-007-0560, 02-3234-007-0570, 02-3234-007-0630, 02-3234-007-0640, 02-3234-007-0650, 02-3234-007-0660 and 02-3234-007-0670) located in Miami Beach, Florida (“P27” or the “Property”) consisting of (1) Class A office space, (2) ground floor retail, (3) residential rental apartments, (4) public parking to replace the existing public parking spaces on P27, and (5) additional parking to satisfy off-street parking requirements for the office and residential uses (the “Project”); and (c) memorializes certain conditions precedent for the City’s lease of the Property to the Developer for the development, design, financing, construction, and operation of the Project (the “Lease”); such Lease being subject to and contingent upon approval by the City Commission pursuant to section 82-37(a) and approval by a majority of the voters in a city-wide referendum pursuant to section 1.03(b)(2) of the City Charter; and further, authorize the City Manager to finalize the Development Agreement and make any necessary non-substantive corrections to scrivener’s errors, subject to form approval by the City Attorney, and further, authorize the Mayor and City Clerk to execute the Development Agreement.


PASSED AND ADOPTED this 20 day of July, 2022.

ATTEST:



RAFAEL E. GRANADO, CITY CLERK


JUL 25 2022



DAN GELBER, MAYOR



**APPROVED AS TO
FORM & LANGUAGE
& FOR EXECUTION**



City Attorney

7-14-22
Date

MIAMI BEACH

COMMISSION MEMORANDUM

TO: Honorable Mayor and Members of the City Commission
FROM: Alina T. Hudak, City Manager
DATE: July 20, 2022

1:32 p.m. Second Reading Public Hearing

SUBJECT: A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING, FOLLOWING SECOND READING/PUBLIC HEARING, A DEVELOPMENT AGREEMENT, AS AUTHORIZED UNDER SECTION 118-4 OF THE CITY CODE, AND SECTIONS 163.3220 – 163.3243, FLORIDA STATUTES, BETWEEN THE CITY AND 1664 MERIDIAN AVENUE, LLC (THE “DEVELOPER”), WHICH DEVELOPMENT AGREEMENT WAS (A) REVIEWED BY THE PLANNING BOARD AS REQUIRED BY SECTION 142-423; (B) DELINEATES THE TERMS AND CONDITIONS FOR THE DEVELOPMENT ON CITY-OWNED SURFACE PARKING LOT P27 (CONSISTING OF SEVEN (7) TAX FOLIOS: 02-3234-007-0560, 02-3234-007-0570, 02-3234-007-0630, 02-3234-007-0640, 02-3234-007-0650, 02-3234-007-0660 AND 02-3234-007-0670) LOCATED IN MIAMI BEACH, FLORIDA (“P27” OR THE “PROPERTY”) CONSISTING OF (1) CLASS A OFFICE SPACE, (2) GROUND FLOOR RETAIL, (3) RESIDENTIAL RENTAL APARTMENTS, (4) PUBLIC PARKING TO REPLACE THE EXISTING PUBLIC PARKING SPACES ON P27, AND (5) ADDITIONAL PARKING TO SATISFY OFF-STREET PARKING REQUIREMENTS FOR THE OFFICE AND RESIDENTIAL USES (THE “PROJECT”); AND (C) MEMORIALIZES CERTAIN CONDITIONS PRECEDENT FOR THE CITY’S LEASE OF THE PROPERTY TO THE DEVELOPER FOR THE DEVELOPMENT, DESIGN, FINANCING, CONSTRUCTION, AND OPERATION OF THE PROJECT (THE “LEASE”); SUCH LEASE BEING SUBJECT TO AND CONTINGENT UPON APPROVAL BY THE CITY COMMISSION PURSUANT TO SECTION 82-37(A) AND APPROVAL BY A MAJORITY OF THE VOTERS IN A CITY-WIDE REFERENDUM PURSUANT TO SECTION 1.03(B)(2) OF THE CITY CHARTER; AND FURTHER, AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE THE DEVELOPMENT AGREEMENT.

RECOMMENDATION

This Consolidated Commission Memorandum related to RFP 2021-173-KB for mixed-use developments incorporating Class A office space with respect to City-owned surface parking lots **P27**

(Lincoln Lane Project— TPC) (the "Project"), has been prepared in connection with:

- R7D - the second reading/public hearing of the Development Agreement
- R7E - the second reading/public hearing of the Ground Lease

A Consolidated Commission Memorandum pertaining to the Integra proposal for surface parking lots P25 and P26 appears separately under agenda items R7A and R7B. Companion items related to authorization of ballot questions regarding the Ground Lease and use of rent proceeds are also included on the agenda.

The Administration recommends that the Mayor and City Commission approve on second reading the Development Agreement and Ground Lease with 1664 Meridian, LLC, subject to any direction as to the policy and business issues outlined in this Memorandum, or otherwise.

The goals of the proposed transaction ("Project Goals") are:

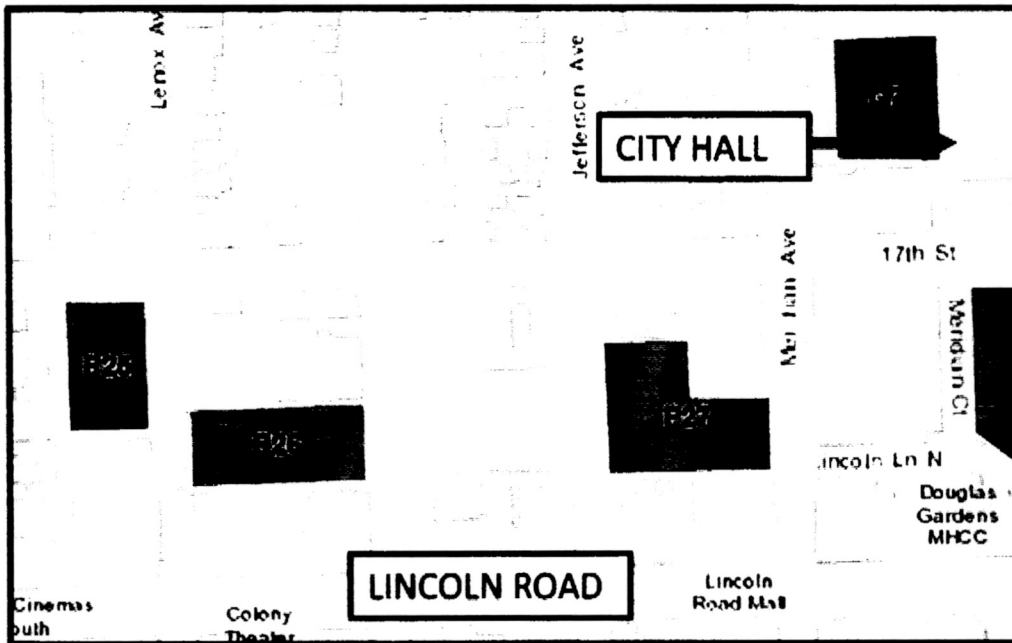
- to diversify the economy and **grow the economic base** by reducing dependency on the tourism and hospitality industries;
- to create a more **resilient economy** able to withstand unforeseeable shocks and circumstances;
- to develop sustainable, **efficient parking facilities** to promote day and evening activation;
- to provide **local employment opportunities**, attract and retain talent, and promote a live-work-play atmosphere.
- to transition and **promote a Miami Beach image, brand, and reputation** as an economic and cultural center;
- to **improve and sustain Lincoln Road** as a commercial hub for residents, tourists, and visitors;
- to **connect the Lincoln Road corridor with the Convention Center Campus**, enhance the City Center district as the City establishes itself as a mecca for industry-leading business convenings, exhibitions, and conferences; and
- to **generate substantial lease and other revenues** for the City.

If approved by a majority of the voters in a City-wide referendum, the Project transaction will collectively result, among other terms, in the following benefits for the City:

- **payment to the City of at least \$145 million (and up to \$345 million)** for the lease of Project site, with the City to annually receive *the greater of* the Minimum Annual Guaranteed Rent or Percentage Rent including a **\$2 million lump sum payment**.
- development of sustainable parking facilities with **full replacement of 151 existing public parking spaces**, at no cost to the City, to remain available to the public at municipal rates in perpetuity;
- **retention of net parking revenues** for replacement parking facilities;
- construction of a new Class A office facility, at no cost to the City, with Developer to spend a **minimum of \$141 million in capital improvements** and additional public benefits, including 0.40 acre (approximately 30% of site) of landscaped public space;
- approximately **\$500,000-\$600,000 in ad valorem property taxes** to the City annually commencing upon completion of construction; and
- approximately **1,000 local jobs**.

BACKGROUND/HISTORY

The City Commission has expressed an interest in diversifying the City's economy and its revenue sources by capitalizing on economic growth opportunities presented by the current and projected business growth in the region, particularly by making a concerted effort to increase Class A office space inventory throughout the City to attract targeted industries. At its December 11, 2019 meeting, the City Commission discussed the possibility of making available surface parking lots along Lincoln Lane North to promote the development of Class A office space in the city center/Lincoln Road area. To gauge interest from the development community, the City Commission directed staff to issue a request for letters of interest (RFLI) for the development of Class A office space on surface parking lots immediately north of Lincoln Lane.



P27	
Address	1664 Meridian Avenue
Size	59,273 sq. ft. (1.36 acres)
Parking Spaces	151 spaces
Adjacent Zoning	CD-3
Height allowed by Code	80 feet
FAR allowed by Code	2.75
RFP Proposer	TPC

Annual Revenue					
	FY 18	FY19	FY20	FY 21	FY 22 YTD (as of 6/30/22)
P27	\$ 674,658.86	\$ 654,961.62	\$ 378,562.31	\$ 488,165.11	\$ 486,916.39

Source: City of Miami Beach Parking Department

On October 9, 2020, the Administration issued Request for Letters of Interest (RFLI) 2021-029-KB seeking expression of interest from developers interested in building Class A office developments on surface parking lots P25, P26, and P27. The RFLI yielded expression of interest from eighteen (18) respondents.

Based on the results of the RFLI, on February 19, 2021, the Finance and Economic Resiliency Committee (FERC or the Committee) recommended that the Administration seek City Commission authorization to prepare a Request for Proposals (RFP) for ground leases and development agreements for the development of Class A office space on three Lincoln Lane surface parking lots (P25, P26, and P27). On February 24, 2021, the City Commission discussed the results of the RFLI, accepted the FERC's recommendation, and directed the Administration to include all three surface parking lots as well as the 17th Street parking garage (parking garage G5) in a forthcoming RFP.

On March 17, 2021, the City Commission adopted Resolution No. 2021-31617, authorizing the preparation of a RFP for mixed-use development incorporating Class A office space at three City-owned sites along Lincoln Lane North as well as the 17th Street parking garage (G5).

On June 23, 2021, the City Commission approved the issuance of RFP 2021-173-KB for mixed-use developments incorporating Class A office space and retail on City-owned parking lots P25, P26, P27, and parking garage G5 intended to promote the Project Goals. The RFP included multiple site options for proposed development.

Key RFP Terms	
Required Class A Office and Retail Space	<ul style="list-style-type: none"> • 50% of floor area ratio (FAR) must be Class A office space. • Ground floor portions must include an activated liner of retail, restaurant, personal service, or similar active uses.
Replacement Parking	<ul style="list-style-type: none"> • In-kind replacement of existing public parking spaces, in addition to satisfying off-street parking requirements for proposed uses. • Project must be staged to minimize the number of parking spaces temporarily displaced during development.
Lease Term	<ul style="list-style-type: none"> • 99-year maximum lease term with a 51-year initial term and two 24-year renewal options. • Triple net lease with Lessee responsible for all real estate taxes, utilities, assessments or other public charges, insurance, maintenance, and all other costs and expenses associated with the operation.
	<ul style="list-style-type: none"> • Lease of all three lots would require approval by a majority of voters (i.e., greater than 50%) in a citywide referendum ("Referendum"). • Development agreement and ground lease between City and one or both Developers must be in final

Voter Referendum for Lease Approval	<p>form and approved by City Commission prior to placement of Referendum question(s) on the ballot. To qualify for November 8, 2022 General Election, ballot items must be submitted to Miami-Dade County by July 29, 2022.</p> <ul style="list-style-type: none"> • At City Commission's sole discretion, the Referendum could be scheduled for a special election on a different date if: (1) the development agreement and lease for the applicable project are finalized and approved by City Commission and (2) the Developer pays its pro-rated share (based on total number of ballot questions) of the cost of a special election (approximately \$400,000).
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Existing Office Market Conditions

The Class A office sector, in Miami Beach and Miami-Dade County, has been particularly resilient throughout the pandemic and thereafter. LTC 165-2021 provided comprehensive data and analysis demonstrating favorable market trends and the influx of targeted business industry, all of which supported the City's initiatives to attract office users and new development including the RFP. Today, current market conditions continue to suggest a favorable market outlook. Vacancy for Class A office space in Miami Beach decreased from 16.8% in Q1 2022 to 14.9% in Q2 2022 according to Jones Lang LaSalle. [1]

A more noteworthy market indicator is Miami Beach's sustained growth in asking rents month after month. In 2022, JLL reports that average asking rent for Class A office space in the city has increased by nearly 30% over Q4 2021, from \$63.12 in Q4 2021 to \$81.18 in Q2 2022. This growth is demonstrated by Deco Capital's Eighteen Sunset project at 1845 Purdy Avenue, where asking leasing rates have surpassed \$100 per square foot according to the South Florida Business Journal [2], a record rental rate on par with New York City and witnessed for the first time only recently in Miami-Dade County.

1 Q2 2022 Office Market Report. Jones Lang LaSalle. <https://www.us.jll.com/en/trends-and-insights/research/office-market-statistics-trends/miami>. (July 7, 2022)

2 Eighteen Sunset developers snag \$60M in construction funding. South Florida Business Journal <https://www.bizjournals.com/southflorida/news/2022/02/01/60-million-mortgage-for-eighteen-sunset.html>. (February 1, 2022)

RFP Award

RFP responses were due on January 12, 2022. The City received proposals from three firms: Infinity Collective LLC, Lincoln Road Holdings LLC, and Lincoln Road Property Owners, L.P. On February 1, 2022, the Evaluation Committee reviewed and evaluated proposals. Upon review of the Evaluation Committee results and an assessment of the proposals, the City Manager recommended that the Mayor and City Commission authorize the City Administration to:

- Negotiate with Lincoln Road Property Owner, L.P., a Delaware limited partnership comprised of Integra Investments, Starwood Capital Group, and The Comras Company ("Integra") with regard to Parking Lots P25 and P26 (RFP Option 5);

and

- Negotiate with Lincoln Road Holdings LLC, now known as 1664 Meridian, LLC, a Florida limited liability company, comprised of The Peebles Corporation, Scott Robins Companies, Inc., and the Baron Corporation (“TPC”) with regard to Parking Lot P27 (RFP Option 3).

On February 23, 2022, via Resolution No. 2022-32054, the City Commission accepted the recommendation of the City Manager and authorized the Administration to negotiate with the proposers. In addition to referring any potential land use amendments to appropriate land use boards, the Resolution also referred the projects to the FERC as a means of providing the Administration with direction during negotiations. Although the RFP invited proposals to develop four sites (P25, P26, P27, and G5, or a combination thereof), at present, negotiations have included only three sites: P25 and P26 combined, and P27.

Land Use Amendments Adopted for the Projects

In accordance with the provision in the City Code allowing for zoning to be determined by a development agreement, the RFP stated that “Proposals shall be guided by the Land Development Regulations [LDRs], however, proposed changes to the Land Development Regulations will be considered.” On April 8, 2022, the Land Use and Sustainability Committee (“LUSC”) provided feedback on three legislative amendments requested in support of the two projects:

1. An amendment to Policy RLU 1.1.17 of the 2040 Comprehensive Plan, to allow for all residential uses (currently, only workforce and affordable housing are permitted), as well as mixed-use developments, as an allowable use in the Public Facility (PF) Government Uses (GU) future land use category. This ordinance only applies to the TPC project, as Integra’s project does not include a residential component.
2. An amendment to Chapter 130 of the LDRs to create a minimum off-street public parking requirement for projects pursuant to development agreements on City-owned land in parking district No. 2. Effectively, this ensures that the public-serving Replacement Parking Component (a required component) does not count towards FAR. Additionally, the proposal creates the ability for developments in parking districts No. 2 and No. 3 to provide additional parking spaces in accordance with the minimum requirements set forth in parking district No.
3. An amendment to Chapter 142 of the LDRs to allow for a maximum building height of 100 feet (in lieu of 75-85 feet) for GU properties developed by the private sector and incorporating public parking spaces owned by and/or operated for the City. The applicable area for the proposed height increase is bounded by 17th Street on the north, Lincoln Lane North on the south, Alton Road on the west, and Washington Avenue on the east. The amendment will allow Integra to incorporate additional floor-to-ceiling height on P25 and an additional convertible office floor on P26. The amendment will enable TPC to avoid the need for below-grade parking and to increase floor-to-ceiling height in its project.

By vote of acclamation at the April 8, 2022 meeting, the LUSC transmitted the proposed parking ordinance and the Comprehensive Plan amendment with a favorable recommendation, with the caveat that the Comprehensive Plan amendment should apply only to those developments within the City Center area. The LUSC voted 2-1 to transmit the height ordinance to the City without any recommendation. The Administration supported the subject ordinances as they would enhance the leasable spaces within each project, thereby attracting higher quality

tenants—a main objective of the RFP—and, ultimately, offering a better financial return to the City.

On April 26, 2022, the Planning Board reviewed and transmitted the three ordinances to the City Commission with a favorable recommendation. The Planning Board also recommended that any market rate residential housing development include a portion of workforce and/or affordable housing.

On May 4, 2022, the City Commission approved on first reading the three related Lincoln Lane North GU land use amendments.

On May 17, 2022, the Florida Department of Transportation provided written confirmation of its finding that the proposed Comprehensive Plan amendment would not adversely impact transportation resources and facilities of State importance. On June 2, 2022, the Florida Department of Economic Opportunity (“DEO”) provided notice that it had no comment on the proposed amendment, meaning that the City was authorized to proceed with the amendment.

On June 22, 2022, the City Commission approved on first reading/public hearing the draft Development Agreements and Ground Leases and set second reading for July 20, 2022. In addition, the City Commission approved on second reading the three related Lincoln Lane North GU land use amendments: (i) Ordinance 2022-4497 the Comprehensive Plan amendment providing for market rate residential use, (ii) Ordinance 2022-4498 amending the parking regulations, and (iii) Ordinance 2022-4499 amending the height regulations.

Negotiation of Deal Terms and Recommendations and Approvals by FERC and Planning Board

On March 30, 2022, the FERC received an initial update on negotiations from the Administration and requested that subsequent agenda items present the proposed projects’ terms in tandem side-by-side to facilitate the Committee’s comparison of both projects.

On April 19, 2022, the FERC reviewed the draft Term Sheets and provided feedback on the projects as proposed. Among the issues discussed by the Committee were the appraised land value of each of the three sites, the Proposers’ estimated construction cost per space of the Replacement Parking component to be developed for and delivered to the City, and the Committee’s desire to see unique and/or independent commercial businesses as the projects’ retail tenants. The Committee noted that Lincoln Road’s character was fundamentally altered as international retail brands overtook smaller, local retailers and the Committee expressed a desire for the developments on P25, P26, and P27 to seek retail tenants that would bring back some of Lincoln Road’s prior charm.

On April 29, 2022, the FERC discussed the Term Sheets again and transmitted both Term Sheets to the City Commission with a favorable recommendation for preparation of Development Agreements and Ground Leases.

On May 4, 2022, via Resolution Nos. 2022-32163 and 2022-32164, the Mayor and City Commission accepted the recommendation of the FERC, approved both Term Sheets, directed the Administration to negotiate separate Development Agreements and Ground Leases with the respective parties, and referred the proposed Projects to the Planning Board for review in accordance with the requirements of the City Charter and City Code.

On May 24, 2022, the Planning Board reviewed the proposed uses of both projects and favorably recommended approval (5-1). The Planning Board adopted (6-0) a second motion recommending that: (1) the City Commission consider devoting a portion of revenues generated from any project incorporating solely market rate residential uses to fund workforce housing initiatives; (2) the prohibition of big-box retail establishments in the Ground Leases; and (3) where possible, provision that underutilized parking spaces required for the projects' private components (e.g. office uses) be made available for use by the public during nonpeak hours.

A list of public meetings, communications, and information associated with the RFP and the Projects is attached as an exhibit.

ANALYSIS

Conducting development and lease negotiations simultaneously with separate proposers on two complex development projects has been challenging in light of the July 29, 2022 deadline for placing referendum questions on the November 2022 ballot. With a view toward finalizing agreements with both Proposer teams by such date, and in order for the City Commission to approve resolutions authorizing ballot questions that accurately describe the material lease terms, the Administration and City Attorney's Office have dedicated considerable staff resources and participated in regularly scheduled meetings with both Proposer teams multiple times per week to establish and refine the specifics of the deal terms. TPC's proposed Development Agreement is attached as Exhibit A and the proposed Ground Lease is attached as Exhibit B.

P27 (TPC) – Key Terms	
Developer Team	1664 Meridian, LLC, a joint venture among The Peebles Corporation, Scott Robins Companies, Inc., and the Baron Corporation, referred to herein as "TPC"
Lease Term	<ul style="list-style-type: none"> • 99 years: 51 years + two (2) 24-year extensions • "Effective Date" for purposes of commencement of each project and, accordingly, for purposes of the milestones set forth below shall mean the date established in the notice to proceed issued by the City, which in any event shall be no earlier than the later to occur of: execution of the definitive project documents and certification of the referendum results
Proposed Site Plan	<ul style="list-style-type: none"> • Total Building Gross SF: 288,000 sf • Total Building FAR: 162,000 sf • Office: 81,500 sf (50% FAR) • Retail: 10,500 sf • Residential: 70,000 sf (Approximately 43 market rate units) <p>6 stories (2 levels of residential, 3 levels of office, ground</p>

	<p>floor rent, (TRC) parking spaces across office and retail levels)</p> <p>*Percentage refers to the approximate percentage of floor area attributable to total FAR.</p>
Construction Timeline	<ul style="list-style-type: none"> • Temporary Certificate of Occupancy (TCO) is required to be achieved at 64 months from Effective Date* • However, the dates for achievement of construction milestones are subject to extensions in the case of Economic Force Majeure, City Delays, and certain Unavoidable Delays, including but not limited to Force Majeure events, Unanticipated Site Conditions, and Project Approval Delays and lawsuits, as further described in the Development Agreement.
Rent	<p>Below are Key Financial Terms, for full financial terms and annual rent payments, please refer to Financial Proposal Table in Exhibit D.</p> <ul style="list-style-type: none"> • Initial Lump Sum Payment, at Target Date for Construction Commencement (no later than 23 months after Effective Date): \$2M • Construction Rent, beginning at Construction Commencement (no later than 23 months after Effective Date): \$150,000 • Guaranteed Annual Rent, beginning at Construction Completion (no later than 43 months after Effective Date): \$680,000 • Rent Escalations (Guaranteed Annual Rent), commencing on the one-year anniversary of the Target Date for Construction Completion (i.e. 55 months after Effective Date): <ul style="list-style-type: none"> ◦ Year 1-5: 1.5% (Year 1 commences in month 55 from Effective Date for these purposes, i.e., approximately 4.5 years into the Initial Term) ◦ Year 6-10 (commencing in month 115 from Effective Date, i.e., approximately 9.5 years into the Initial Term): CPI with floor of 1.5% and ceiling of 2% ◦ Year 11-15 (commencing in month 175 from Effective Date, i.e., approximately 14.5 years into the Initial Term): CPI with floor of 1.5% and ceiling of 2.5% ◦ Year 16 through end of Initial Term (commencing in month 235 from Effective Date, i.e., approximately 19.5 years into

	<p>P27 (TPC) Key Terms: CPI with floor of 1.5% and ceiling of 3%</p> <ul style="list-style-type: none"> • Percentage Rent Participation: 5% of Effective Gross Income (or Guaranteed Annual Rent, whichever is greater) • Base Rent Reset: At time of rent reset, hypothetical rent would be calculated based on year when full rent (i.e., \$680,000) commences, escalated through the rent reset date by the higher of 2% or CPI (uncapped). This would occur at years 51 (for years 52-75) and year 75 (for years 76-99). • UPDATE: Transaction Rent City to receive 1.5% of the gross proceeds on every sale capped at \$2M, subject to inflation; No Transfer Rent on the first transfer by Developer of all or a portion of the Project provided such sale occurs within the first 5 years from the Permitted Transfer Date; if sale by Developer occurs on or after the fifth anniversary of the Permitted Transfer Date, Transaction Rent applies.
City Parking Revenue	<ul style="list-style-type: none"> • Upon project completion, 100% of net revenues collected from the 151 replacement parking spaces provided back to the City.
Insurance, Taxes, Utilities	<ul style="list-style-type: none"> • Lease is "triple net" however, if the City elects to operate the Replacement Parking Component, the City would be responsible for costs and expenses attributable to the Replacement Parking Component.
Project Financing	<ul style="list-style-type: none"> • Developer permitted to use one mortgage lender and one mezzanine lender, provided that, in each case, an Institutional Lender shall be used and loan-to-cost ratio for construction financing or loan-to-value ratio for permanent financing) shall not exceed 90%. • In no event shall the City's fee interest in the Property be subordinate to any mortgage or liens and the City shall have first priority right of payment of rent at all times. • Developer shall maintain at least 10% equity in the Project, including Developer's initial equity contribution to the Project. • The City is not and shall not be required to provide any funding or financing for the Project, including without limitation, any tax credits and/or subsidies.

	27. The Developer shall maintain 10% ownership interest in the Project.
Restriction on Transfer	until such time as there are leases in place with respect to at least 85% of the leasable office space.
Limited Termination Rights	<ul style="list-style-type: none"> • Developer may terminate the Development Agreement <i>at any time prior to issuance of the building permit</i> if: <ol style="list-style-type: none"> 1. any of the Required Approvals render the Project economically unfeasible in the reasonable business judgment of Developer; 2. the Project cannot meet concurrency requirements under Section 163.3180, Florida Statutes, or the costs of concurrency mitigation are, in the reasonable business judgment of Developer, economically unfeasible; 3. Developer, after diligent, good faith efforts, has been unable to obtain a full building permit for the Project pursuant to the Approved Plans; 4. Developer, after diligent, good faith efforts, is unable to secure adequate financing on financial terms that are commercially reasonable; or 5. there shall exist any material adverse change in regional, national or global economic conditions that in the Developer's reasonable and good faith judgment would materially, adversely affect the financial viability of the Project. • The City possesses no right to terminate <i>for convenience</i> once the agreements are executed.
Termination for Cause (Development Agreement)	<ul style="list-style-type: none"> • City may terminate the Development Agreement <i>for cause</i> as a result of any default by Developer which continues beyond the expiration of any applicable notice and cure period in the Development Agreement and the Ground Lease. • In any event of termination by Developer or by the City as a result of a default by Developer: (i) the Developer shall assign to the City all right, title, and interest in and to the Plans and any other materials pertaining to the Project and (ii) the City shall have no further obligation to the Developer following such termination, financial or otherwise, other than those obligations, if any, which expressly survive such termination.
	<ul style="list-style-type: none"> • Developer has executed an agreement pledging to reimburse the City for the City's out of pocket transactional and professional costs and expenses associated with the due diligence, negotiation, and

	2021 TPC's Key Terms Ground Lease and development of the Project, up to \$150,000.00, including without limitation fees for the City's parking bond covenant analysis, real estate and transaction appraisals and other required reports; the City's outside counsel and paralegal fees; and any surveys, environmental assessments (if any), title searches, and other reviews engaged by the City.
Reimbursement of City Expenses	
Proposed/ Preliminary Public Benefits	<p>TPC's RFP response proposed a Project that will:</p> <ul style="list-style-type: none"> • Activate, revitalize, enhance and bring new life and energy to this part of the City; • Serve as a benefit to the City by improving and replacing the City Spaces with covered, secure and structured parking. • Create new rental housing for City residents • Create new Class-A office space; • Further the City's sustainability and resiliency efforts for new development; • Improve lighting, providing increased safety for area; • Create temporary and construction jobs and long-term permanent jobs; • Increase the tax base and increase the tax revenue to the City; • Provide landscaped public space and overall beautification of the area surrounding the Project; • Create a live, work, and play environment within the Project; • Provide economic stimulus to the City; • Encourage future development of areas surrounding the Project; and • Create a pedestrian walkway connecting the Lincoln Lane neighborhood with landscaping, lighting, benches, and storefronts. • Retail programming (RFP proposal): <ul style="list-style-type: none"> ◦ Activate the alleyway with community-oriented retail and building-oriented retail, which supports the live-work-play lifestyle that underpins the key leasing strategy ◦ Retail designed to complement rather than compete with Lincoln Road, e.g., smaller retail bays and targeting service, entertainment, and restaurants tenants rather than traditional retailers.
Referendum Requirement	The effectiveness of the Ground Leases and the Development Agreement are contingent upon voter approval of the Ground Leases at the November 8, 2022 general election in accordance with the City Charter. In the event the

	Referendum (TPO) - Key Terms
	Referendum (TPO) - Key Terms if the ballot question(s) are not approved, for whatever reason, the Ground Leases and Development Agreement shall be null and void

Considerations previously discussed with the City Commission on May 4, 2022 and June 22, 2022:

1. Transaction Rent to City upon Developer's Sale of Leasehold Interest

The Development Agreement does not permit the Developer to transfer its leasehold interest in the property to an unaffiliated entity until completion of project construction. Thereafter, during the Term of the Ground Lease, limited transfer of interests may be allowed, subject to restrictions enumerated in the Ground Lease.

Although financial terms had been largely developed and memorialized in the final Term Sheet, on May 4, 2022 meeting, members of the City Commission expressed a desire that if, at a later date following completion of construction of the Project, if the Developer (or subsequent Ground Lessee) decides to sell or transfer its leasehold interest in the property, then the City should stand to benefit from a portion of the sales proceeds inuring to the Developer (or Ground Lessee).

The Ground Lease now requires the payment of so-called "Transfer Rent" which requires the payment of 1.5% of the gross proceeds on every sale capped at \$2M, (subject to inflation). No Transfer Rent is payable on the first transfer by Developer of all or a portion of the Project provided such sale occurs within the first 5 years from the Permitted Transfer Date; if a sale by Developer occurs on or after the fifth anniversary of the Permitted Transfer Date, Transaction Rent applies.

2. Replacement of City Parking Revenue during Construction

Developer must present to city a parking mitigation plan, acceptable to the City in its reasonable discretion, that addresses both loss of parking within proximity (not greater than ½ mile) of the P27 site and loss of revenue during construction.

Other relevant considerations:

i. Land Appraisal

As required by Section 82-37(b) of the City Code governing leases of ten years or more, a real estate appraisal report ("Appraisal Report") has been prepared for the City Commission's review of the Ground Leases. An independent consultant, CBRE, Inc., was selected following a request for quotes submitted to the City's prequalified pool of real estate appraisers, firms that were selected by the City Commission via Resolution No. 2018-30585. A preliminary draft Appraisal Report was discussed by the FERC on April 19, 2022.

The appraiser employed a sales comparison approach to determine fee simple value of each of the three sites, including the benefit to the City of the development of public parking facilities. Recent comparable sales of nearby properties were compared to each subject site, as if vacant and available, to be put to its highest and best use, with adjustments applied to account for differences in factors such as location, property shape, view corridors, zoning, market conditions at time of sale, etc. The sales used in this analysis are considered comparable to the subject sites, and the required adjustments were based on industry best practices. CBRE indicated that the required Referendum did not factor into its land valuation. The Appraisal Report is attached as Exhibit C.

ii. Project Construction Phasing and Implications for Project Development

The Administration notes that if both the Integra and TPC Projects are approved by the City Commission and by a majority of the City's voters in the Referendum, construction of the two Projects will likely be phased. Project sequencing will take into account all appropriate factors, including impacts on parking availability in the area and other area impacts such as the construction of the Miami Beach Convention Center Hotel, provided that the City may also make a determination, in its reasonable discretion, that both Projects can reasonably be constructed in tandem or otherwise simultaneously without having a material adverse impact on the City's residents, businesses, and visitors. The uncertainty at the present time as to the sequencing of the two Projects may adversely affect development and construction costs for the Projects, and both TPC and Integra have expressed concern with the possibility that their respective Projects will not be first noticed to proceed. The determination as to phasing and order of commencement (i) shall be made in the City's reasonable discretion no later than sixty (60) days following official certification of the Referendum results and (ii) shall be final and binding on the Developers with no right of appeal.

iii. Operation of the City's Public Parking Replacement Component

TPC's Project will contain Replacement Parking equal to the number of spaces currently existing on P27, and the City will be entitled to the net revenues from these spaces that are anticipated to be consistent with current collections. As negotiated, the City shall operate all Public Parking Replacement Components for each Project, provided that, the City shall have the right, in its sole discretion, to decide that the Developer shall operate the Public Parking Replacement Components if notice is provided to the Developer by or before sixty (60) days following official certification of the Referendum results. If the City elects to operate the Public Parking Replacement Component, applicable terms will be incorporated into a separate operating agreement. If the City requires Developer to operate the Public Parking Replacement Component, the Developer and the City will negotiate terms such as standards of operation, responsibility for costs and expenses, etc. In all circumstances, the City and Developer stipulate that parking rates for Public Parking Components shall not be higher than the City's then-applicable rates for similar parking facilities.

SUPPORTING SURVEY DATA

According to the 2022 Resident Satisfaction Survey, Lincoln Road is the top-ranking Miami Beach landmark that residents enjoy visiting, with 60% of our residents selecting it among their top places to visit, as reported in the 2019 Resident Satisfaction Survey. Enhancement of the Lincoln Road area will improve the resident and visitor experience.

On June 30, 2022, Letter to Commission (LTC) 258-2022 shared the Lincoln Road Business Improvement District's (LRBID) letter to the City Commission in support of the proposed Projects. The LRBID noted that it had met with both Developer groups to review the Proposed project plans and the LRBID's executive committee unanimously approved an expression of support, requesting the City Commission move the items forward to the November vote of the electorate.

FINANCIAL INFORMATION

The proposed rental payments and financial terms are detailed in the Analysis section with the proposed annual payments outlined in Exhibit D. The Development Agreement and Ground Leases stipulate that the City will not provide any funding or financing for the Project and the Administration has incorporated additional measures to limit the City's exposure: the City's fee simple interest in the property will not be subordinate to any mortgage, City has first priority right of payment of rent, the loan-to-cost ratio for construction financing and loan-to-value financing for permanent financing shall not exceed 90%, and the Developer must maintain 10% equity in the Project. Regarding the City's necessary costs during negotiations, each developer has executed an agreement pledging to reimburse the City for up to \$150,000 for the City's expenses including costs related to independent consultant studies and outside counsel.

CONCLUSION

This Project proposes to meaningfully transform underutilized City parking assets into a resilient, state-of-the-art LEED certified building offering desirable uses and amenities that will serve the public, activate the neighborhood, and spur economic development—all at zero financial cost whatsoever to taxpayers. In fact, the associated financial benefits from the Project—in addition to the retention of existing parking revenues—will continuously grow General Fund revenues and enhance the local tax base year after year, without the City assuming any of the risks inherent to construction and operation of \$100+ million mixed-use commercial developments.

The Administration recommends that the City Commission approve on Second Reading the Development Agreement and Ground Lease, including the Project's Concept Plan and Mandatory Project Elements.

Further, the Administration recommends the City Commission adopt the resolutions authorizing placing on the ballot at the November 8, 2022 General Election the questions related to the Ground Lease and use of the Rent Payments.

Applicable Area

South Beach

Is this a "Residents Right to Know" item, pursuant to City Code Section 2-14?

Yes

Does this item utilize G.O. Bond Funds?

No

Strategic Connection

Prosperity - Revitalize targeted areas and increase investment.

Legislative Tracking

Economic Development

ATTACHMENTS:

Description

- ☐ Attachment D - Financial Proposal
- ☐ Attachment E - Planning Analysis

- ▣ Attachment F - Project Concept Plan
- ▣ Attachment G - Project Overview and Timeline of Public Meetings
- ▣ Ad

ATTACHMENT D **Financial Proposal P27 - TPC (1664 MERIDIAN AVENUE LLC)**

RENT	AMOUNT	PRESENT VALUE
Minimum Rent	\$ 145,704,144.30	\$ 17,865,109.46
Percentage Rent (EGI)	\$ 345,408,801.48	\$ 25,136,692.27
Minimum w/Parking	\$ 248,551,688.06	\$ 32,111,289.63
Percentage w/Parking	\$ 448,256,345.24	\$ 39,382,872.44

ASSUMPTIONS

LDR and Comprehensive Plan Amendments are Approved
All residential units are Market Rate
Minimum Rent increase: no rent resets for this model.
Effective Gross Income (EGI) revenue increases 3% /year
Present Value Discount Rate: 5%
Percentage rent based on estimates/projections.

Minimum Rent Growth:
Years 1-5 (month 55) 1.50%
Years 6-10 (month 115) CPI (1.5% up to 2%)
Years 11-15 (month 175) CPI (1.5% up to 2.5%)
Years 16+ (month 235) CPI (1.5% up to 3%)

Parking:
Spaces 151
Revenue/space \$4,422.23
Expense 10%
Rev. Growth/yr 1%

Lease Year	Revised Guaranteed Minimum Rent (Market Rate)	Percentage Rent (Higher of Base or 5% of EGI)	Retained City Parking Revenue	Total City Compensation (w/Minimum Rent)	Total City Compensation (w/ Percentage Rent)
1	\$ -	\$ -	\$ 619,191.38	\$ 619,191.38	\$ 619,191.38
2	\$ 2,025,000	\$ 2,025,000	\$ 521,153	\$ 2,546,153	\$ 2,546,153
3	\$ 150,000	\$ 150,000	\$ -	\$ 150,000	\$ 150,000
4	\$ 415,000	\$ 415,000	\$ 318,977	\$ 733,977	\$ 733,977
5	\$ 690,200	\$ 690,200	\$ 644,333	\$ 1,334,533	\$ 1,334,533
6	\$ 699,690	\$ 699,690	\$ 650,776	\$ 1,350,467	\$ 1,350,467
7	\$ 710,186	\$ 710,186	\$ 657,284	\$ 1,367,470	\$ 1,367,470
8	\$ 720,838	\$ 721,283	\$ 663,857	\$ 1,384,695	\$ 1,385,140
9	\$ 731,651	\$ 742,921	\$ 670,496	\$ 1,402,147	\$ 1,413,417
10	\$ 742,626	\$ 765,209	\$ 677,200	\$ 1,419,826	\$ 1,442,409
11	\$ 753,765	\$ 788,165	\$ 683,973	\$ 1,437,738	\$ 1,472,138
12	\$ 765,072	\$ 811,810	\$ 690,812	\$ 1,455,884	\$ 1,502,622
13	\$ 776,548	\$ 836,164	\$ 697,720	\$ 1,474,268	\$ 1,533,885
14	\$ 788,196	\$ 861,249	\$ 704,698	\$ 1,492,893	\$ 1,565,947
15	\$ 800,019	\$ 887,087	\$ 711,745	\$ 1,511,763	\$ 1,598,831
16	\$ 812,019	\$ 913,699	\$ 718,862	\$ 1,530,881	\$ 1,632,561
17	\$ 824,199	\$ 941,110	\$ 726,051	\$ 1,550,250	\$ 1,667,161
18	\$ 836,562	\$ 969,344	\$ 733,311	\$ 1,569,873	\$ 1,702,655
19	\$ 849,111	\$ 998,424	\$ 740,644	\$ 1,589,755	\$ 1,739,068
20	\$ 861,847	\$ 1,028,377	\$ 748,051	\$ 1,609,898	\$ 1,776,427
21	\$ 874,775	\$ 1,059,228	\$ 755,531	\$ 1,630,306	\$ 1,814,759
22	\$ 887,897	\$ 1,091,005	\$ 763,086	\$ 1,650,983	\$ 1,854,091
23	\$ 901,215	\$ 1,123,735	\$ 770,717	\$ 1,671,933	\$ 1,894,452
24	\$ 914,733	\$ 1,157,447	\$ 778,425	\$ 1,693,158	\$ 1,935,872
25	\$ 928,454	\$ 1,192,171	\$ 786,209	\$ 1,714,663	\$ 1,978,379
26	\$ 942,381	\$ 1,227,936	\$ 794,071	\$ 1,736,452	\$ 2,022,006
27	\$ 956,517	\$ 1,264,774	\$ 802,012	\$ 1,758,529	\$ 2,066,785
28	\$ 970,865	\$ 1,302,717	\$ 810,032	\$ 1,780,896	\$ 2,112,749
29	\$ 985,428	\$ 1,341,798	\$ 818,132	\$ 1,803,560	\$ 2,159,930
30	\$ 1,000,209	\$ 1,382,052	\$ 826,313	\$ 1,826,522	\$ 2,208,366
31	\$ 1,015,212	\$ 1,423,514	\$ 834,576	\$ 1,849,789	\$ 2,258,090
32	\$ 1,030,441	\$ 1,466,219	\$ 842,922	\$ 1,873,363	\$ 2,309,142
33	\$ 1,045,897	\$ 1,510,206	\$ 851,351	\$ 1,897,249	\$ 2,361,557
34	\$ 1,061,586	\$ 1,555,512	\$ 859,865	\$ 1,921,451	\$ 2,415,377
35	\$ 1,077,509	\$ 1,602,177	\$ 868,464	\$ 1,945,973	\$ 2,470,641
36	\$ 1,093,672	\$ 1,650,243	\$ 877,148	\$ 1,970,820	\$ 2,527,391
37	\$ 1,110,077	\$ 1,699,750	\$ 885,920	\$ 1,995,997	\$ 2,585,670
38	\$ 1,126,728	\$ 1,750,743	\$ 894,779	\$ 2,021,507	\$ 2,645,521
39	\$ 1,143,629	\$ 1,803,265	\$ 903,727	\$ 2,047,356	\$ 2,706,992
40	\$ 1,160,784	\$ 1,857,363	\$ 912,764	\$ 2,073,548	\$ 2,770,127
41	\$ 1,178,195	\$ 1,913,084	\$ 921,892	\$ 2,100,087	\$ 2,834,975
42	\$ 1,195,868	\$ 1,970,476	\$ 931,111	\$ 2,126,979	\$ 2,901,587
43	\$ 1,213,806	\$ 2,029,590	\$ 940,422	\$ 2,154,228	\$ 2,970,012
44	\$ 1,232,013	\$ 2,090,478	\$ 949,826	\$ 2,181,839	\$ 3,040,304
45	\$ 1,250,494	\$ 2,153,193	\$ 959,324	\$ 2,209,818	\$ 3,112,517
46	\$ 1,269,251	\$ 2,217,788	\$ 968,917	\$ 2,238,168	\$ 3,186,706
47	\$ 1,288,290	\$ 2,284,322	\$ 978,607	\$ 2,266,896	\$ 3,262,928
48	\$ 1,307,614	\$ 2,352,852	\$ 988,393	\$ 2,296,007	\$ 3,341,244

Lease Year	Revised Guaranteed Minimum Rent (Market Rate)	Percentage Rent (Higher of Base or 5% of EGI)	Retained City Parking Revenue	Total City Compensation (w/Minimum Rent)	Total City Compensation (w/ Percentage Rent)
49	\$ 1,327,228	\$ 2,423,437	\$ 998,276	\$ 2,325,505	\$ 3,421,714
50	\$ 1,347,137	\$ 2,496,140	\$ 1,008,259	\$ 2,355,396	\$ 3,504,400
51	\$ 1,367,344	\$ 2,571,025	\$ 1,018,342	\$ 2,385,686	\$ 3,589,366
52	\$ 1,387,854	\$ 2,648,155	\$ 1,028,525	\$ 2,416,379	\$ 3,676,681
53	\$ 1,408,672	\$ 2,727,600	\$ 1,038,811	\$ 2,447,482	\$ 3,766,410
54	\$ 1,429,802	\$ 2,809,428	\$ 1,049,199	\$ 2,479,000	\$ 3,858,627
55	\$ 1,451,249	\$ 2,893,711	\$ 1,059,691	\$ 2,510,939	\$ 3,953,401
56	\$ 1,473,018	\$ 2,980,522	\$ 1,070,288	\$ 2,543,305	\$ 4,050,810
57	\$ 1,495,113	\$ 3,069,938	\$ 1,080,990	\$ 2,576,103	\$ 4,150,928
58	\$ 1,517,540	\$ 3,162,036	\$ 1,091,800	\$ 2,609,340	\$ 4,253,836
59	\$ 1,540,303	\$ 3,256,897	\$ 1,102,718	\$ 2,643,021	\$ 4,359,615
60	\$ 1,563,407	\$ 3,354,604	\$ 1,113,745	\$ 2,677,153	\$ 4,468,349
61	\$ 1,586,858	\$ 3,455,242	\$ 1,124,883	\$ 2,711,741	\$ 4,580,125
62	\$ 1,610,661	\$ 3,558,899	\$ 1,136,132	\$ 2,746,793	\$ 4,695,031
63	\$ 1,634,821	\$ 3,665,666	\$ 1,147,493	\$ 2,782,314	\$ 4,813,159
64	\$ 1,659,343	\$ 3,775,636	\$ 1,158,968	\$ 2,818,311	\$ 4,934,604
65	\$ 1,684,234	\$ 3,888,905	\$ 1,170,558	\$ 2,854,791	\$ 5,059,463
66	\$ 1,709,497	\$ 4,005,572	\$ 1,182,263	\$ 2,891,760	\$ 5,187,836
67	\$ 1,735,140	\$ 4,125,740	\$ 1,194,086	\$ 2,929,225	\$ 5,319,826
68	\$ 1,761,167	\$ 4,249,512	\$ 1,206,027	\$ 2,967,193	\$ 5,455,539
69	\$ 1,787,584	\$ 4,376,997	\$ 1,218,087	\$ 3,005,671	\$ 5,595,084
70	\$ 1,814,398	\$ 4,508,307	\$ 1,230,268	\$ 3,044,666	\$ 5,738,575
71	\$ 1,841,614	\$ 4,643,556	\$ 1,242,571	\$ 3,084,184	\$ 5,886,127
72	\$ 1,869,238	\$ 4,782,863	\$ 1,254,996	\$ 3,124,234	\$ 6,037,859
73	\$ 1,897,277	\$ 4,926,349	\$ 1,267,546	\$ 3,164,823	\$ 6,193,895
74	\$ 1,925,736	\$ 5,074,139	\$ 1,280,222	\$ 3,205,957	\$ 6,354,361
75	\$ 1,954,622	\$ 5,226,363	\$ 1,293,024	\$ 3,247,646	\$ 6,519,387
76	\$ 1,983,941	\$ 5,383,154	\$ 1,305,954	\$ 3,289,895	\$ 6,689,109
77	\$ 2,013,700	\$ 5,544,649	\$ 1,319,014	\$ 3,332,714	\$ 6,863,663
78	\$ 2,043,906	\$ 5,710,989	\$ 1,332,204	\$ 3,376,110	\$ 7,043,192
79	\$ 2,074,564	\$ 5,882,318	\$ 1,345,526	\$ 3,420,090	\$ 7,227,844
80	\$ 2,105,683	\$ 6,058,788	\$ 1,358,981	\$ 3,464,664	\$ 7,417,769
81	\$ 2,137,268	\$ 6,240,551	\$ 1,372,571	\$ 3,509,839	\$ 7,613,122
82	\$ 2,169,327	\$ 6,427,768	\$ 1,386,297	\$ 3,555,624	\$ 7,814,065
83	\$ 2,201,867	\$ 6,620,601	\$ 1,400,160	\$ 3,602,027	\$ 8,020,761
84	\$ 2,234,895	\$ 6,819,219	\$ 1,414,161	\$ 3,649,056	\$ 8,233,380
85	\$ 2,268,418	\$ 7,023,796	\$ 1,428,303	\$ 3,696,721	\$ 8,452,098
86	\$ 2,302,445	\$ 7,234,509	\$ 1,442,586	\$ 3,745,031	\$ 8,677,095
87	\$ 2,336,981	\$ 7,451,545	\$ 1,457,012	\$ 3,793,993	\$ 8,908,556
88	\$ 2,372,036	\$ 7,675,091	\$ 1,471,582	\$ 3,843,618	\$ 9,146,673
89	\$ 2,407,617	\$ 7,905,344	\$ 1,486,298	\$ 3,893,914	\$ 9,391,641
90	\$ 2,443,731	\$ 8,142,504	\$ 1,501,161	\$ 3,944,891	\$ 9,643,665
91	\$ 2,480,387	\$ 8,386,779	\$ 1,516,172	\$ 3,996,559	\$ 9,902,951
92	\$ 2,517,593	\$ 8,638,383	\$ 1,531,334	\$ 4,048,927	\$ 10,169,717
93	\$ 2,555,357	\$ 8,897,534	\$ 1,546,647	\$ 4,102,004	\$ 10,444,181
94	\$ 2,593,687	\$ 9,164,460	\$ 1,562,114	\$ 4,155,801	\$ 10,726,574
95	\$ 2,632,592	\$ 9,439,394	\$ 1,577,735	\$ 4,210,327	\$ 11,017,129
96	\$ 2,672,081	\$ 9,722,576	\$ 1,593,512	\$ 4,265,593	\$ 11,316,088
97	\$ 2,712,162	\$ 10,014,253	\$ 1,609,447	\$ 4,321,610	\$ 11,623,700
98	\$ 2,752,845	\$ 10,314,680	\$ 1,625,542	\$ 4,378,387	\$ 11,940,222
99	\$ 2,794,137	\$ 10,624,121	\$ 1,641,797	\$ 4,435,935	\$ 12,265,918
Total	\$ 145,704,144	\$ 345,408,801	\$ 102,847,544	\$ 248,551,688	\$ 448,256,345

MIAMI BEACH

City of Miami Beach, 1700 Convention Center Drive, Miami Beach, Florida 33139, www.miamibeachfl.gov

PLANNING DEPARTMENT

MEMORANDUM

TO: Alina T. Hudak, City Manager

FROM: Thomas R. Mooney, AICP
Planning Director

DATE: June 15, 2022

SUBJECT: **Planning Analysis of Proposed Lease of City-Owned Parking Lot 27 (1664 Meridian Avenue).**

BACKGROUND

Section 82-38 of the Code of the City of Miami Beach requires that any proposed sale or lease of City-owned land be analyzed from a planning perspective so that the City Commission and the public are fully apprised of all conditions relating to the proposed sale or lease.

The proposed lease applies to a ±59,273 SF (1.36 acres), City-owned parking lot, located at 1664 Meridian Avenue. The proposal is for a 99-year maximum lease term, with a 51-year initial term and two (2) 24-year renewals. The site currently consists of a 151-space parking lot. The parcel is currently zoned GU Government Use District and is located on the southern half of the block bounded by Meridian Avenue on the east, Lincoln Lane North on the South, Jefferson Avenue on the west and 17th Street on the north.

The proposed lease is for the development of a 6-story, 159,000 SF building, which includes approximately 80,000 SF of Class A office, 9,500 SF of retail, and 43 apartment units. The proposal requires voter approval.

The following is an analysis based on the criteria delineated in the Code:

ANALYSIS

1. **Whether or not the proposed use is in keeping with city goals and objectives and conforms to the city comprehensive plan.**

Partially Consistent – The site is currently designated *Public Facility: Governmental Use (PF)*. A Comprehensive Plan amendment is necessary to allow for the market rate residential uses. The Comprehensive Plan amendment is in progress and there are no objections from the state land planning agency. The proposed use is in keeping with the city goals and objectives to develop class A office space in an effort to transform the economy of the City from one that is overly dependent on tourism.

2. **The impact on adjacent property, including the potential positive or negative impacts such as diminution of open space, increased traffic, noise level or**

enhanced property values, improved development patterns and provision of necessary services. Based on the proposed use of the property, the city shall determine the potential impact of the project on city utilities and other infrastructure needs and the magnitude of costs associated with needed infrastructure improvements. Should it become apparent that further evaluation of traffic impact is needed, the proponent shall be responsible for obtaining a traffic impact analysis from a reputable traffic engineer.

Consistent – The developer has provided an analysis that indicates that the proposed development will have a traffic impact. However, the developer will be responsible for the payment of Mobility Fees that can be used to improve the transportation network in order to mitigate impacts. If the project were developed today, the project would be subject to approximately \$435,849.20 in Mobility Fees pursuant to the expected program. Additional study regarding the transportation impact will take place as part of the design review process.

Significant noise impacts are not expected from the proposed uses.

The site is currently a fully paved public parking lot and not used as green or open space. As such there will be no diminution of open space. Additionally, the project would have to undergo a recreation and open space review and mitigate impacts pursuant to the level of service adopted in the City's Comprehensive Plan.

The current use of the site has an exceedingly negative impact on the aesthetics of the community. With the development of the site, the design review process would ensure that the new development would improve the development patterns of the community and enhance property values.

3. **A determination as to whether or not the proposed use is in keeping with a public purpose and community needs, such as expanding the city's revenue base, creating jobs, creating a significant revenue stream, and improving the community's overall quality of life.**

Consistent - This proposal is in keeping with a public purpose by creating Class A office space which will bring workers and clients to area businesses. It will also help to transform the City's economy. Additionally, the proposed lease agreements will provide revenue to the City in the form of rent payments and property taxes. Additionally, the project will continue to provide for the public parking that exists on the site today.

4. **A determination as to whether or not the development is in keeping with the surrounding neighborhood, will block views or create environmental intrusions, and evaluation of the design and aesthetic considerations of the project.**

Consistent - The surrounding neighborhood will not be negatively affected and the development will not block views or create environmental intrusions. There are no residential buildings in the vicinity that provide for views of significant features. The properties to the south consist primarily of low scale commercial buildings. To the

north, there are office buildings which should not have views negatively impacted. However, design and aesthetic considerations will be considered as part of the design review process for any new development.

5. The impact on adjacent properties, whether or not there is adequate parking, street and infrastructure needs.

Consistent – Any new development on the site will have to comply with all requirements of the Land Development Regulations, including parking requirements and concurrency requirements which that ensures that levels of service for infrastructure are met. A recent code amendment will allow for the existing 151 public parking spaces to be provided within the development.

6. Such other issues as the city manager or his authorized designee, who shall be the city's planning director, may deem appropriate in analysis of the proposed disposition.

Not applicable - The Planning Department has no other issues it deems appropriate to analyze for this proposal.

CONCLUSION

The proposed lease agreement is consistent with the Goals, Objectives, and Policies based on the proposals for the property, subject to the approval of the amendment authorizing market rate residential. The lease amendment will generate no negative impacts for the surrounding area.

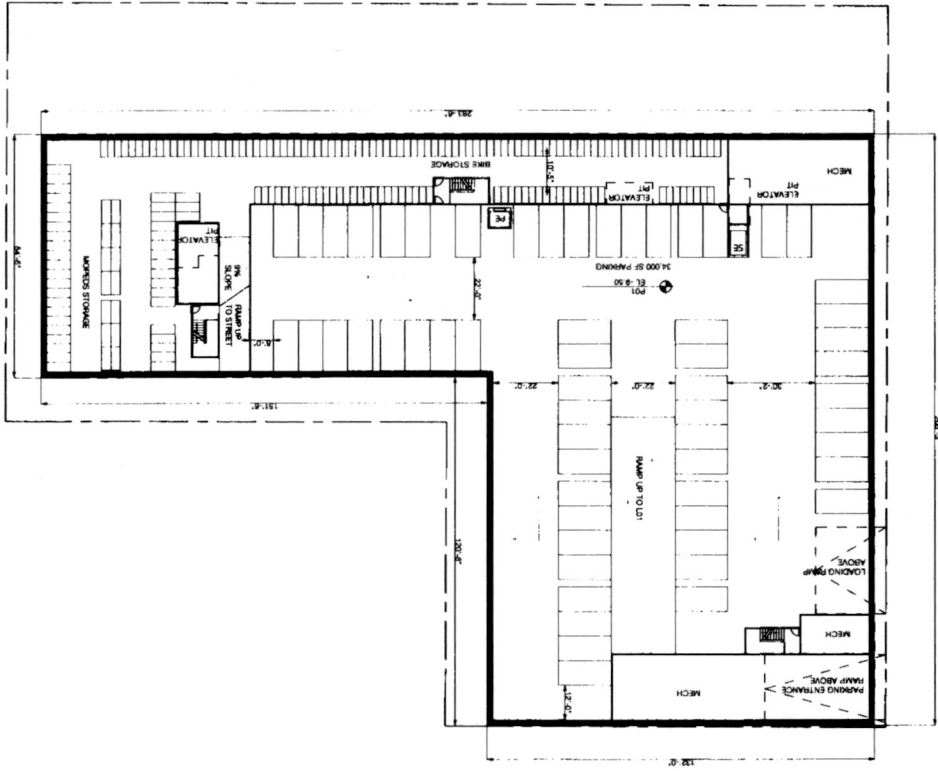
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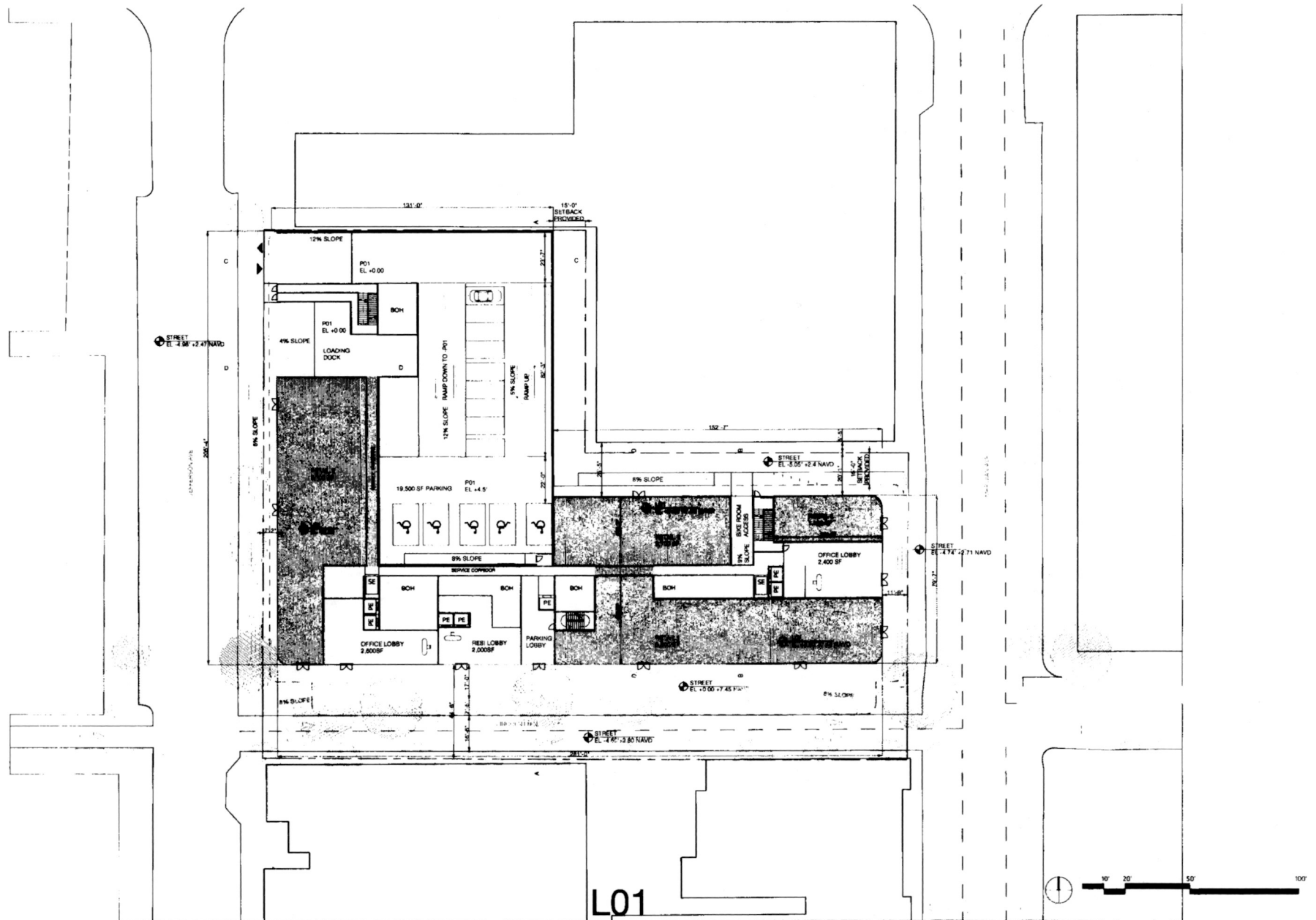
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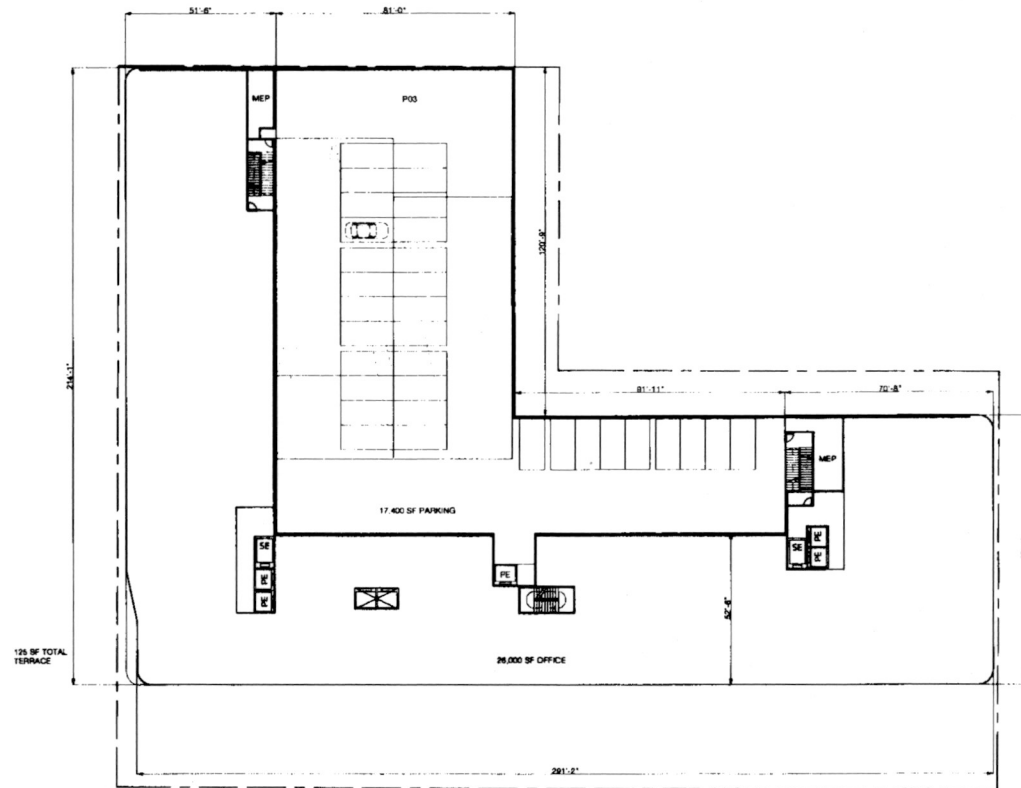
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July 05, 2022

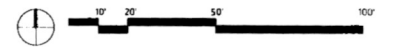


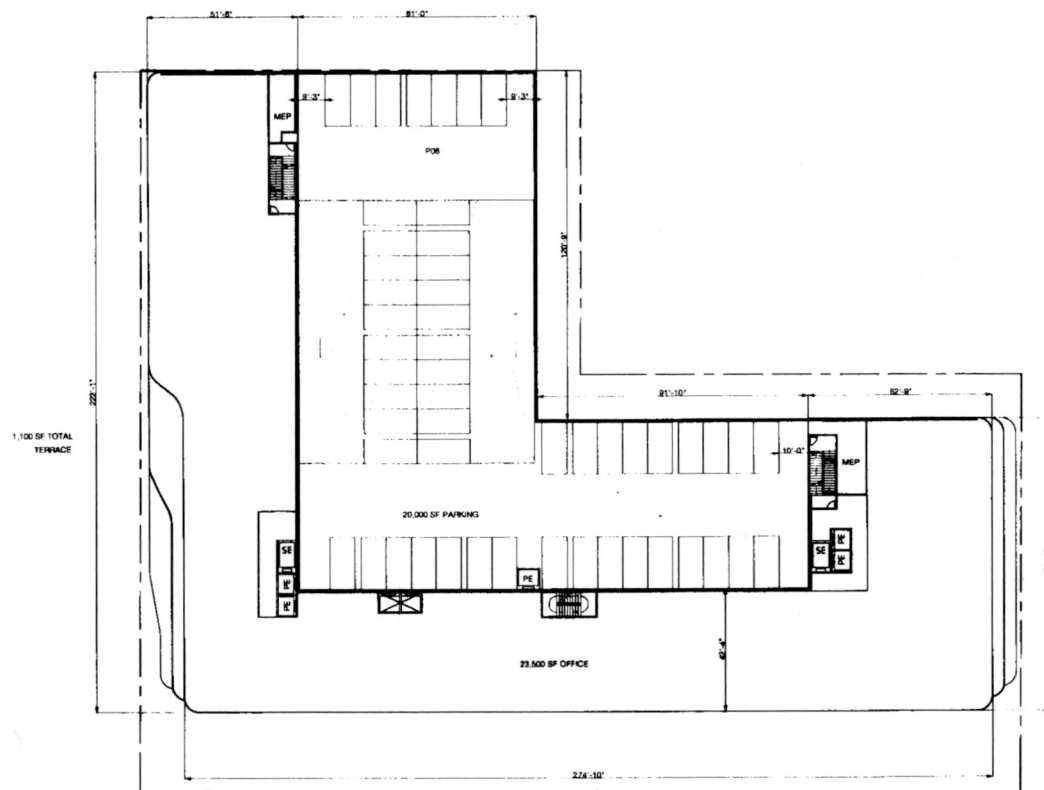






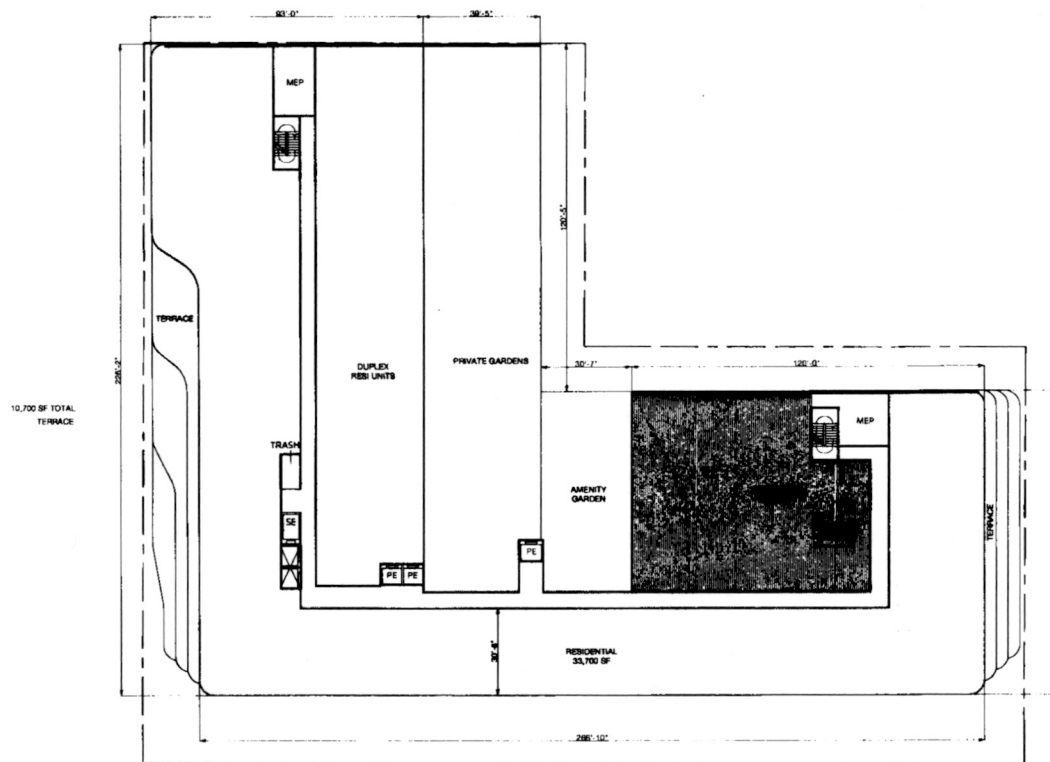
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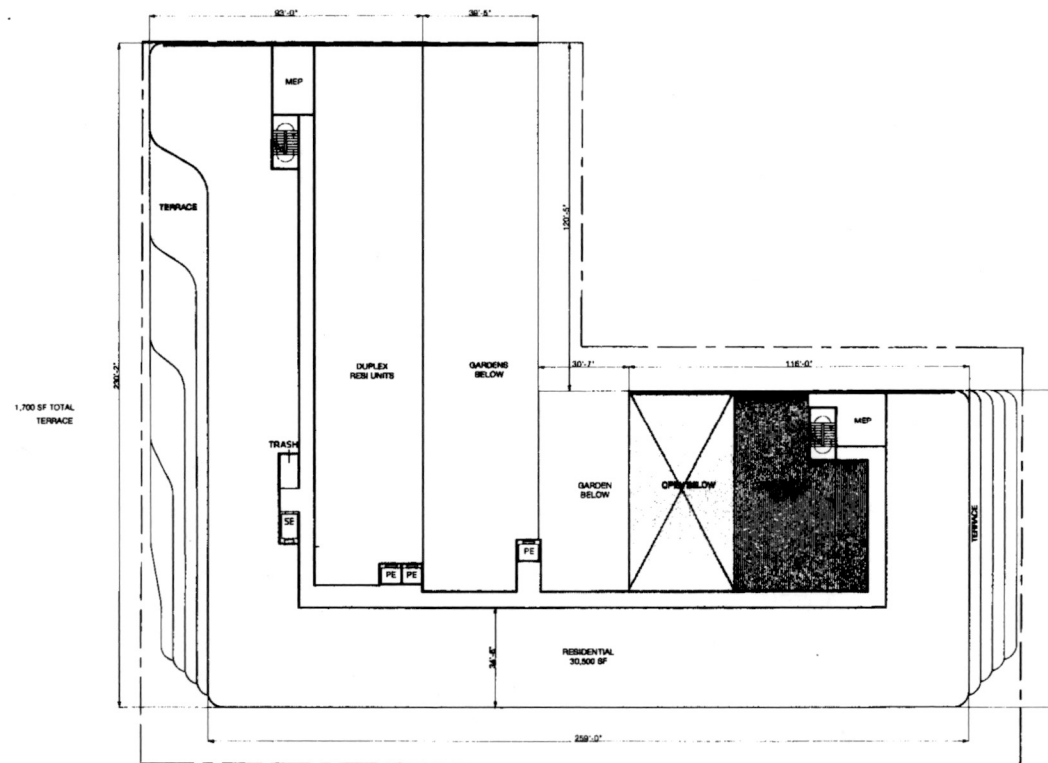
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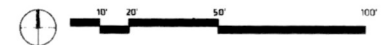


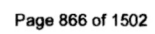
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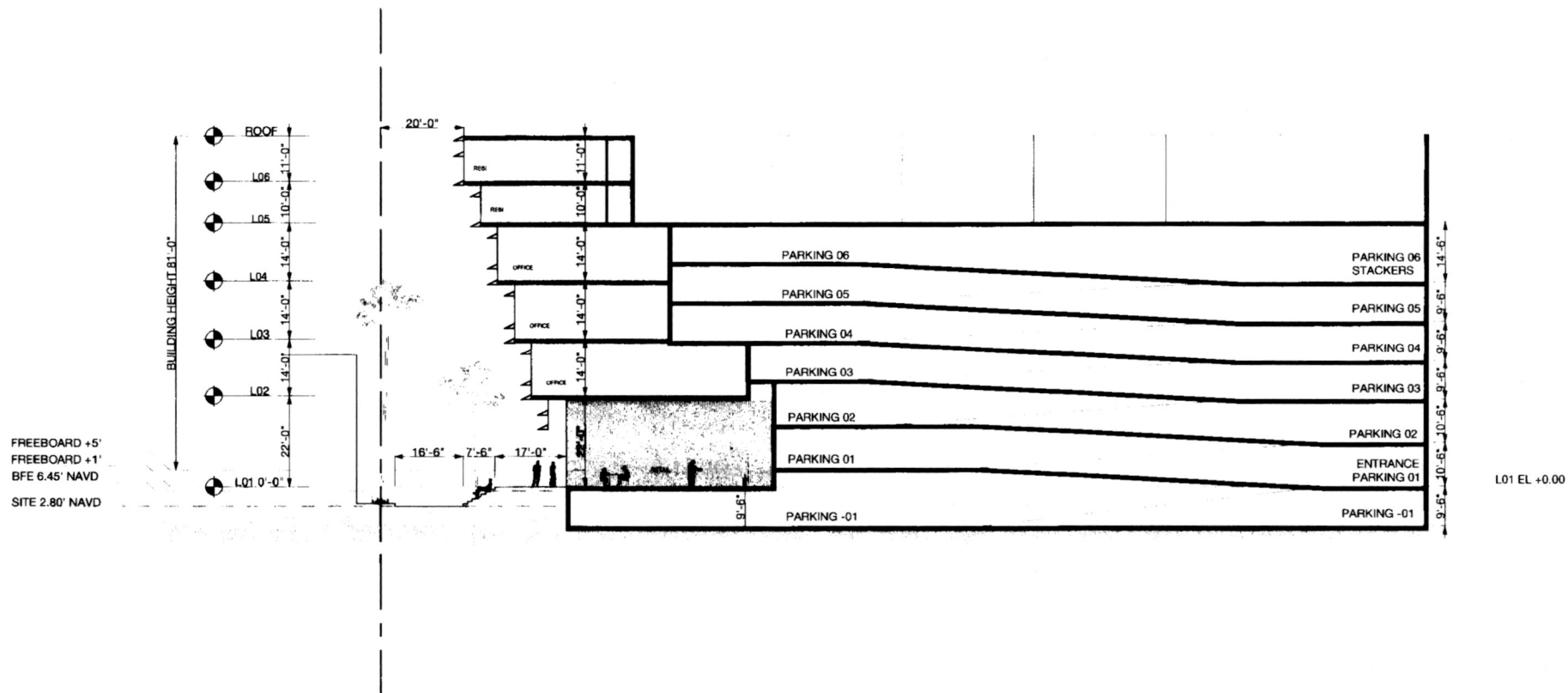




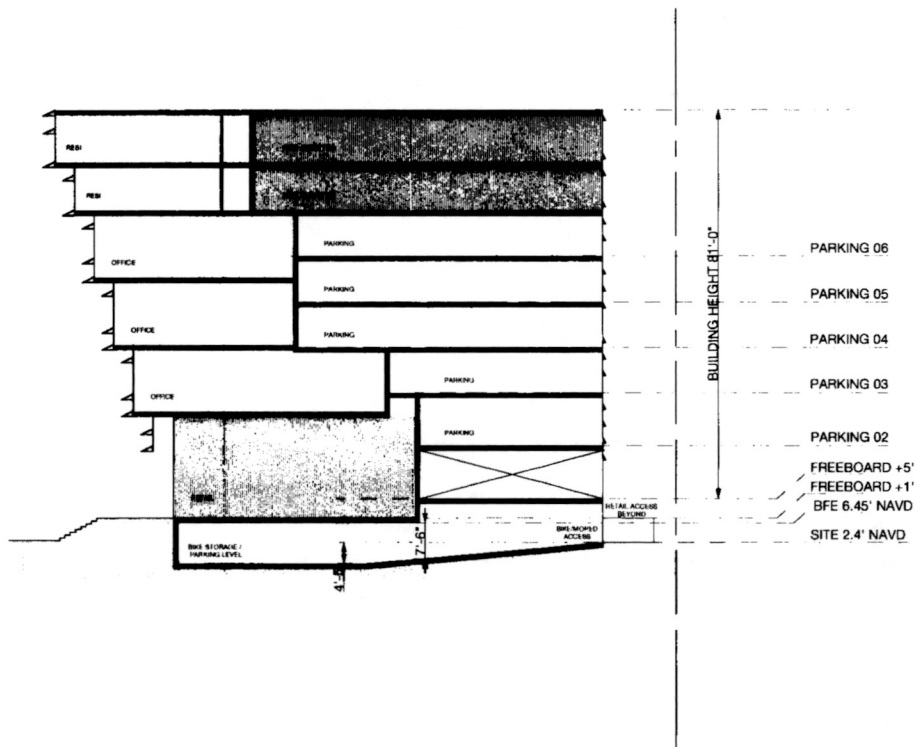
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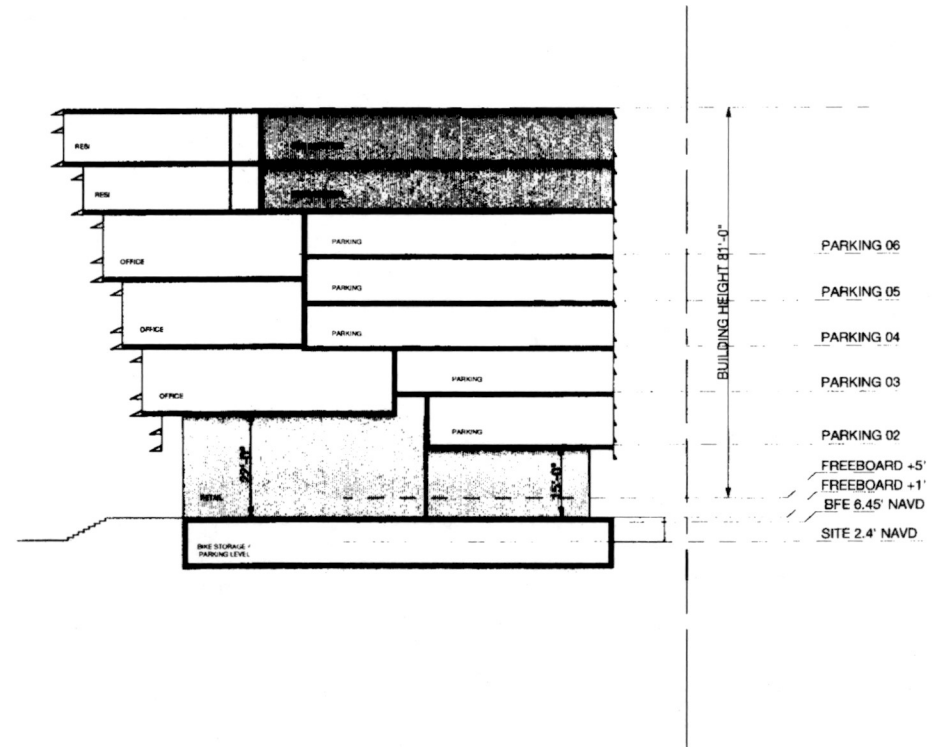




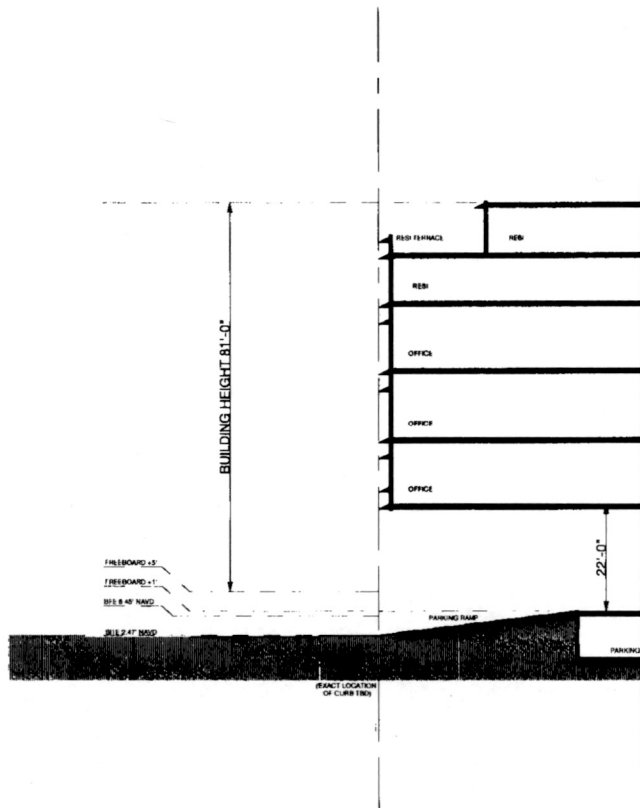
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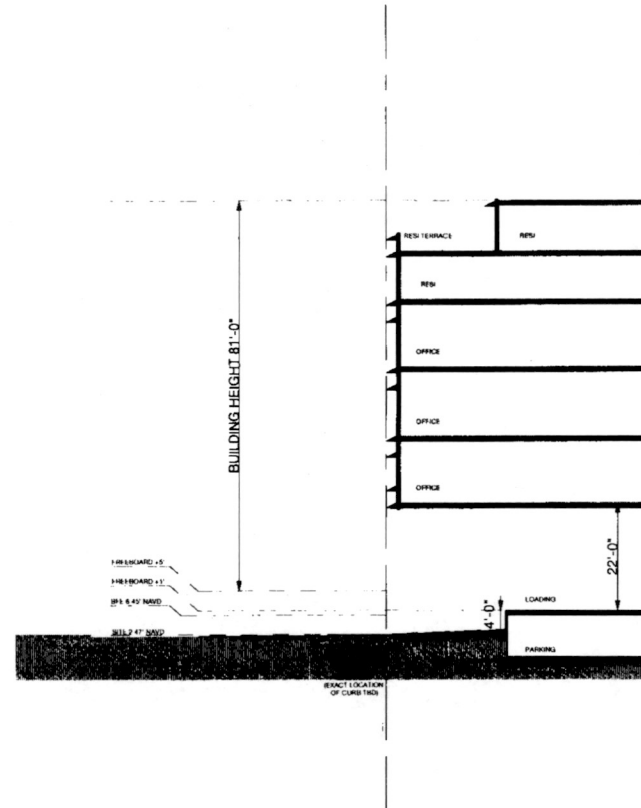
SECTION B-B
Page 868 of 1502



SECTION D-D



SECTION C-C
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SECTION D-D

SURFACE LOT P27

Peebles Corporation

Scott Robins Companies

Baron Corporation

- **P27:** 166% Meridian Avenue (Lincoln Lateral, CB2)
- **Lot size** - approximately 60,000 sf
- **As-is** fee simple appraised value: **£39M**



Proposed
Project

- 99-year lease: 51 yr initial + two (2) 24 yr renewals
- 6 stories
- Height: 80 ft
- **Uses:** Class A Office, Market Rate Residential Apartments, Ground Floor Retail, Replacement Parking, and Private Parking for Office, Residential
 - Parking garage with full replacement of 151 existing public parking spaces
 - Public parking on lower floors
 - Parking mitigation during construction
 - 81,500 sq. ft. Class A office space
 - 10,500 sq. ft. ground floor retail to activate Lincoln Lane
 - 47 market rate residential units
 - Ground floor retail to activate Lincoln Lane North and street fronts
 - Public landscaped space
 - Construction Timeline:
 - 100 - 61 months
 - Parking 100 - 61 months
 - Parking available - 64 months



Financial
Benefits

- Rent - the greater of guaranteed base rent or 5% of Effective Gross Income (EGI)
- **Minimum Guaranteed Rent** to the City: **£145M**
- **Potential with Percentage Rent (EGI): £145M**
- City will not provide any funding or financing for project
- City retains of 100% net revenues for public parking
- **Annual Rent Growth:**
 - Years 1-5 (month 55) 1.50%
 - Years 6-10 (month 115) CPI (1.5% up to 2%)
 - Years 11-15 (month 175) CPI (1.5% up to 2.5%)
 - Years 16+ (month 235) CPI (1.5% up to 3%)
- **Rent Reset:** Years 51 and 75 (base year escalated by higher of 2% or CPI uncapped)
- **Transaction Rent** upon transfer sale by Lessee
- **Lump Sum Payment:** **£2M** at Construction (23 months)
- **Construction Rent:** **£150,000** annually
- **Base Rent:** **£680,000** annually
- **Approx. £500k-£600k** in annual ad valorem taxes

Lincoln Lane - Timeline of Public Meetings and Information

Date		Meeting	Subject Matter / Action Taken
Request for Letters of Interest 2021-029-KB (the "RFLI")			
1.	12/11/2019	City Commission*	Requested preparation of RFLI during discussion of office development to attract targeted industries
	10/09/2020	<i>City issues RFLI</i>	Deadline for receipt of letters of interest: February 11, 2021 (extended three times upon request of industry stakeholders)
2.	10/13/2020	LTC 359-2020: RFLI 2021-029-KB for Class A Office Development	Informed City Commission of issuance of RFLI and attached industry reports of increased demand for Class A office space
3.	02/12/2021	LTC 063-2021: Update - RFLI 2021-029-KB Class A Office Development	RFLI results (18 letters of interest) and Administration's strategic marketing / digital advertising campaign targeting out-of-state business industry (\$8,000 budget)
4.	02/19/2021	Finance & Economic Resiliency Committee	Recommended (4-0) that Administration begin to prepare an RFP and the City Commission authorize the RFP
5.	02/24/2021	City Commission*	Discussed RFLI results and 17 th Street Garage in RFP scope
Request for Proposals 2021-173-KB (the "RFP")			
6.	03/17/2021	City Commission*	Reso. 2021-31617 authorized preparation of an RFP
7.	04/08/2021	Public Meeting: "Class A Office Development"	Interactive webinar to promote RFP and solicit industry input, with 85 (non-City staff/consultant) participants
8.	04/19/2021	LTC 165-2021: Class A Office Market Conditions	Provided background and analyzed office market conditions, and attached office market industry reports
9.	05/21/2021	Finance & Economic Resiliency Committee	Expressed support for upcoming RFP issuance during discussion of measures to attract business
10.	06/23/2021	City Commission*	Approved (7-0) issuance of RFP 2021-173-KB
	06/25/2021	<i>City issues RFP</i>	Deadline for receipt of proposals: Jan. 12, 2022 (extended three times from August 24, 2021 upon request of potential proposers)
11.	07/14/2021	Pre-Proposal Meeting	Publicly noticed conference to respond to proper questions, with 35 (non-City staff/consultant) participants
12.	12/06/2021	LTC 515-2021: Evaluation Committee Relative to RFP 2021-173-KB	Update on Evaluation Committee selection, including representation from Lincoln Road BID Board of Directors and Palm View Neighborhood Association
	02/01/2022	<i>Evaluation Committee</i>	Evaluation Committee convenes publicly to score proposals
13.	02/23/2022	City Commission*	Reso. 2022-32054 accepted City Manager's recommendation and authorized negotiations with Parties
14.	02/25/2022	Finance & Economic Resiliency Committee*	Discussed resident participation in RFP via referendum
Lease Negotiations pursuant to RFP			
15.	03/30/2022	Finance & Economic Resiliency Committee*	Reviewed project information and provided direction
16.	04/08/2022	Land Use & Sustainability Committee*	Approved (2-1) Land Use Amendments
17.	04/19/2022	Finance & Economic Resiliency Committee*	Reviewed Term Sheets and provided direction
18.	04/26/2022	Planning Board*	Approved (7-0) Land Use Amendments
19.	04/29/2022	Finance & Economic Resiliency Committee*	Approved Term Sheets and recommended preparation of Ground Leases
20.	05/04/2022	City Commission*	Resos. 2022-32163 and 2022-32164 approved Term Sheets; authorized preparation of DAs and Ground Leases
21.	05/24/2022	Planning Board*	Approved (5-1) the proposed land uses in both DAs
22.	06/22/2022	City Commission*	Approved (5-1) DAs, Ground Leases on First Reading and approved Land Use Amendments on Second Reading
			Publicly Noticed Meetings: 18 Letters to Commission: 4

**CITY OF MIAMI BEACH
NOTICE OF PUBLIC HEARING
AND INTENT TO CONSIDER
A DEVELOPMENT AGREEMENT**

JULY 20, 2022 CITY COMMISSION MEETING

On July 20, 2022, the City of Miami Beach will host a Hybrid Commission Meeting. During the Hybrid Commission Meeting, the City Commission will be physically present in the Commission Chamber, Miami Beach City Hall, 1700 Convention Center Drive, 3rd Floor, Miami Beach, FL 33139. The public is encouraged to attend the meeting virtually (as provided below). However, members of the public who wish to attend the meeting or provide public comment in person may appear at the Commission Chamber.

To participate or provide comment virtually during the Hybrid Commission Meeting, the public may join the webinar at: <https://miamibeachfl-gov.zoom.us/j/81392857671> or via telephone at 1.301.715.8592 (U.S.) or 888.475.4499 (Toll-Free). Webinar ID: 81392857671. Members of the public wanting to speak virtually on an item during the meeting must click the "raise hand" icon if using the Zoom app or press *9 on the telephone to raise their hand.

NOTICE IS HEREBY GIVEN that the following Public Hearing will be heard by the Mayor and City Commissioners of the City of Miami Beach, Florida, on July 20, 2022, at 1:32 p.m. or as soon thereafter as the matter can be heard:

1:32 p.m. Second Reading Public Hearing

A RESOLUTION OF THE MAYOR AND CITY COMMISSION OF THE CITY OF MIAMI BEACH, FLORIDA, APPROVING, FOLLOWING SECOND READING/PUBLIC HEARING, A DEVELOPMENT AGREEMENT, AS AUTHORIZED UNDER SECTION 118-4 OF THE CITY CODE, AND SECTIONS 163.3220 - 163.3243, FLORIDA STATUTES, BETWEEN THE CITY AND 1664 MERIDIAN AVENUE, LLC (THE "DEVELOPER"), WHICH DEVELOPMENT AGREEMENT (A) WAS REVIEWED BY THE PLANNING BOARD AS REQUIRED BY SECTION 142-423; (B) DELINEATES THE TERMS AND CONDITIONS FOR THE DEVELOPMENT ON THE CITY-OWNED SURFACE PARKING LOT P27 (CONSISTING OF SEVEN (7) TAX FOLIOS: 02-3234-007-0560, 02-3234-007-0570, 02-3234-007-0630, 02-3234-007-0640, 02-3234-007-0650, 02-3234-007-0660 AND 02-3234-007-0670) LOCATED IN MIAMI BEACH, FLORIDA ("P27" OR THE "PROPERTY") CONSISTING OF (1) CLASS A OFFICE SPACE, (2) GROUND FLOOR RETAIL, (3) RESIDENTIAL RENTAL APARTMENTS, (4) PUBLIC PARKING TO REPLACE THE EXISTING PUBLIC PARKING SPACES ON P27, AND (5) ADDITIONAL PARKING TO SATISFY OFF-STREET PARKING REQUIREMENTS FOR THE OFFICE AND RESIDENTIAL USES (THE "PROJECT"); AND (C) MEMORIALIZES CERTAIN CONDITIONS PRECEDENT FOR THE CITY'S LEASE OF THE PROPERTY TO THE DEVELOPER FOR THE DEVELOPMENT, DESIGN, FINANCING, CONSTRUCTION, AND OPERATION OF THE PROJECT (THE "LEASE"); SUCH LEASE BEING SUBJECT TO AND CONTINGENT UPON APPROVAL BY THE CITY COMMISSION PURSUANT TO SECTION 82-37(A) AND APPROVAL BY A MAJORITY VOTE OF THE VOTERS IN A CITY-WIDE REFERENDUM PURSUANT TO SECTION 1.03(B)(2) OF THE CITY CHARTER; AND FURTHER, AUTHORIZING THE MAYOR AND CITY CLERK TO EXECUTE THE DEVELOPMENT AGREEMENT.

PROPERTY: The Development Site consists of:

City-Owned Surface Parking Lot P27	02-3234-007-0560 02-3234-007-0640 02-3234-007-0660 02-3234-007-0570 02-3234-007-0650 02-3234-007-0670 02-3234-007-0630
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ZONING DISTRICT: The Development Site is located within the GU zoning district. The development regulations in the GU district are the average of the requirements contained in the surrounding zoning districts. The Development Site is surrounded by property zoned CD-3, Commercial High Intensity, and as a result, is subject to the development regulations of the CD-3, Commercial High Intensity zoning district. The maximum F.A.R. for mixed-use developments in the CD-3 district is 2.75.

MAXIMUM HEIGHT: On June 22, 2022, the City Commission adopted on second reading an increase in height, from 85 feet to a maximum of 100 feet in height, to accommodate private uses that incorporate public parking spaces within the structure that are owned by the City and/or operated by the City in the area bounded by 17th Street on the north, Lincoln Lane on the south, Alton Road on the west, and Washington Avenue on the east. Architectural projections will comply with applicable provisions of the City's Land Development Regulations.

PERMITTED USES: The current main permitted uses in the City's GU zoning District are government buildings and uses, including but not limited to parking lots and garages, parks and associated parking; schools; performing arts and cultural facilities; monuments and memorials. The proposed Development Agreement contemplates that the City Commission will approve a mixed-use development consisting of (1) Class A office space, (2) ground floor retail, (3) residential rental apartments, (4) public parking to replace the existing public parking spaces on the properties, and (5) additional parking to satisfy off-street parking requirements for the office and residential uses.

The City's 2040 Comprehensive Plan provides that population densities for Public Facilities: Governmental Use (PF) future land use category is equivalent to the average of surrounding districts. The Development Site is surrounded by the High Intensity Commercial (CD-3) category, which allows for 150 units per acre. Therefore, the maximum density permitted on the Development Site is 150 units per acre.

A copy of the proposed Development Agreement is available for public inspection during normal business hours in the Office of the City Clerk, 1700 Convention Center Drive, 1st Floor, City Hall, Miami Beach, Florida 33139.

INTERESTED PARTIES are invited to take part in this meeting or be represented by an agent. The public may submit written comments by sending an email to: CityClerk@miamibeachfl.gov by 5:00 p.m. the day before the City Commission meeting. Please identify Agenda Item Number R7C in the email subject line. Emails received will be forwarded to the Mayor and Commissioners and will be included as a part of the meeting record. This item is available for public inspection during normal business hours in the Office of the City Clerk, 1700 Convention Center Drive, 1st Floor, City Hall, Miami Beach, Florida 33139. This meeting, or any item therein, may be continued, and under such circumstances, additional legal notice need not be provided.

Pursuant to Section 286.0105, Fla. Stat., the City hereby advises the public that if a person decides to appeal any decision made by the City Commission with respect to any matter considered at its meeting or its hearing, such person must ensure that a verbatim record of the proceedings is made, which record includes the testimony and evidence upon which the appeal is to be based. This notice does not constitute consent by the City for the introduction or admission of otherwise inadmissible or irrelevant evidence, nor does it authorize challenges or appeals not otherwise allowed by law.

To request this material in an alternate format, sign language interpreter (five-day notice required), information on access for persons with disabilities, and/or any accommodation to review any document or participate in any City-sponsored proceedings, call 305.604.2489 and select option 6; TTY users may call via 711 (Florida Relay Service).

The City Commission Meeting will be broadcast live on Miami Beach TV (MBTV), viewable on the City's website at <https://www.miamibeachfl.gov/government/mbtv/>, as well as on Brazzeline Cable channel 660, AT&T U-verse channel 99, Hotwire Communications channel 395, and ROKU device on PEG-TV channel, and on social media at <https://www.facebook.com/cityofmiamibeach>.

MIAMI BEACH

Rafael E. Granado, City Clerk
City of Miami Beach
305.673.7411

Ad No. 07202022-03 P27